FBIS DAILY REPORT

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PACT LEADERS MEET IN WARSAW TO RENEW TREATY

Leaders Welcomed

LD251746 Warsaw Domestic Service in Polish 1700 GMT 25 Apr 85

[Text] At Warsaw's Okecie Airport representatives of the highest party and state authorities, led by Premier Army General Wojciech Jaruzelski, first secretary of the PZPR Central Committee, and Henryk Jablonski, chairman of the Council of State, welcomed the following delegations:

from the USSR, led by Mikhail Gorbachev, general secretary of the CPSU Central Committee;

from the People's Republic of Bulgaria, led by Todor Zhivkov, general secretary of the BCP Central Committee and chairman of the Council of State;

from the Hungarian People's Republic, led by Janos Kadar, general secretary of the MSZMP;

from the GDR, led by Erich Honecker, general secretary of the SED Central Committee and chairman of the Council of State;

from the Socialist Republic of Romania, led by President Nicolae Ceausescu, secretary general of the RCP; and

from the CSSR, led by Gustav Husak, general secretary of the CPCZ Central Committee and president of the Republic.

Marshal Viktor Kulikov, supreme commander of the Warsaw Pact Joint Armed Forces also arrived in Warsaw.

[Delegation members are as follows (source given in parentheses):

[the USSR: Mikhail Gorbachev, CPSU general secretary, Premier Nikolay Tikhonov, Foreign Minister Andrey Gromyko, Defense Minister Marshal of the Soviet Union Sergey Sokolov, and CPSU Secretary Konstantin Rusakov (Prague CTK in English at 1945 on 25 April);

[Bulgaria: Todor Zhivkov, general secretary of the BCP Central Committee and chairman of the State Council, and Grisha Filipov, Dobri Dzhurov, Petur Mladenov, and Dimitur Stanishev (Sofia Domestic Service in Bulgarian at 1730 GMT on 25 April);

[the CSSR: Gustav Husak, general secretary of the CPCZ and Republic president, Premier Lubomir Strougal, CPCZ Secretary Vasil Bilak, Foreign Minister Bohuslav Chnoupek, Defense Minister Colonel General Milan Vaclavik (Prague CTK in English at 1945 GMT on 25 April);

[the GDR: Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, Council of Ministers Chairman Willi Stoph, SED Central Committee Secretary Hermann Axen, Minister of National Defense Army General Heinz Hoffmann, SED Central Committee Secretaries Egon Krenz and Guenter Mittag, and Minister of Foreign Affairs Oskar Fischer (East Berlin ADN International Service in German 1635 GMT 25 April);

[Romania: Nicolae Ceausescu, general secretary of the RCP and Republic president, Premier Constantin Dascalescu, Defense Minister General Constantin Olteanu, RCP Central Committee Secretary Ion Stoian, and Foreign Minister Stefan Andrei (Warsaw PAP in English 1445 GMT on 25 April);

[Hungary: Janos Kadar, MSZMP general secretary, Council of Ministers Chairman Gyorgy Lazar, Central Committee Secretary Matyas Szuros, Minister of Foreign Affairs Peter Varkonyi, and Minister of Defense Colonel General Istvan Olah (Budapest Domestic Service in Hungarian 1400 GMT 25 April).]

Proceedings Begin

LD261118 Warsaw Domestic Service in Polish 1005 GMT 26 Apr 85

[Excerpts] The event of the day is the debates of the leaders of parties and states of the Warsaw Pact. Here are reports from our reporters.

The palace of the Council of Ministers: In a few minutes a meeting of leaders of parties and states of the Warsaw Pact will begin. The palace court has been decorated for the occasion, and the national flags of the seven member-states are being flown.

Eminent guests have been welcomed by the representatives of protocol of the Council of Ministers. They also welcomed the Polish delegation led by Wojciech Jaruzelski, first secretary of the PZPR Central Committee and premier, and the USSR delegation led by Mikhail Gorbachev, general secretary of the CPSU Central Committee.

Also, Viktor Kulikov, supreme commander of the Warsaw Pact Joint Armed Forces has arrived.

Next, the leader of the Polish delegation, PZPR First Secretary, Premier Wojciech Jaruzelski welcomed delegations from fraternal states to the conference hall. The conference hall is located on the first floor and has been maintained in white and light green colors. A rectangular table is in the middle of the hall and will be occupied by members of the delegations. Behind them will be 10 advisers, and in the center of the table a large bunch of white and red flowers. Some advisers and members of delegations have already taken their seats. Now, members of individual delegations are taking their seats at the table.

On the right of the Polish delegation, the delegation of the GDR, led by Erich Honecker; next is the delegation of the Hungarian People's Republic, led by Janos Kadar; then the delegation of the Peoples Republic of Bulgaria, led by Todor Zhivkov. On the left of the Polish delegation is the delegation of the Socialist Republic of Romania, led by Nicolae Ceausescu; then the delegation of the USSR, led by Mikhail Sergeyevich Gorbachev; and the delegation of the CSSR, led by Gustav Husak.

At this moment the chairman of the Polish delegation PZPR First Secretary, Premier Wojciech Jaruzelski, and Council of State Chairman Henryk Jablonski entered the hall. They exchanged short greetings with the Polish delegation. At the table opposite the Polish delegation sits Viktor Kulikov, supreme commander of the Warsaw Pact Joint Armed Forces. Members of all delegations rise. The Soviet delegation led by Mikhail Gorbachev, enters the hall. Mikhail Gorbachev is greeting leaders of delegations. At this moment he comes to Wojciech Jaruzelski, and they shake hands cordially. Gorbachev then meets Henryk Jablonski.

Agenda Previewed

AU260750 Paris AFP in English 0742 GMT 26 Apr 85

[Excerpts] Warsaw, April 26 (AFP) -- The leaders of the seven Warsaw Pact countries were meeting here today behind closed doors to formally renew the Eastern bloc's 30-year old alliance, which expires on June 5. Beforehand they were to lay a wreath at the Tomb of the Unknown Soldier.

Eastern bloc experts here predicted that the summit would do little more than sign a document nearly identical to the one signed here in May 1955, which put into effect the Eastern bloc's response to the North Atlantic Treaty Organisation. The original document was for 20 years with a clause automatically extending the alliance for an additional 10 years. The treaty signed today is expected to be for the same period, with the same automatic extension.

After the signing of the pact in the early afternoon, Mr. Gorbachev and General Jaruzelski are scheduled to give speeches at a dinner before the delegations return home either this evening or tomorrow morning.

Only press from member countries of the Warsaw Pact has been accredited to cover the summit.

Security today was tight round the Radziwill Palace, the government building in the heart of the Polish capital where the summit was being held. The authorities were clearly anxious to prevent any trouble from the banned independent trade union Solidarity, although militants managed to distribute pamphlets in the city centre yesterday calling for supports to join a demonstration on May 1 to counter the official May Day celebrations. In the past few days scores of extra police have been drafted in from the provinces. Patrols have been stepped up, parking was banned in some areas and drivers who stopped their cars were moved on. Police have repeatedly searched blocks of flats overlooking the route to be taken by the visiting delegations.

Soviet Media Coverage

For reportage on the Warsaw Pact meeting that opened in Warsaw on 26 April, including the departure from the Soviet Union of Soviet leaders Gorbachev, Tikhonov, Gromyko, Sokolov, and Rusakov, see the Communist Relations sections of the 26 April Soviet Union DAILY REPORT and subsequent issues.

USSR PROMISES OIL, ROMANIA AGREES TO PACT RENEWAL

AU260835 Rome ANSA in English 0810 GMT 26 Apr 85

[Text] (ANSA) Moscow, April 26 -- The Warsaw Pact will be renewed today in Warsaw for a 20-year period over Romania's insistence that the pact be continued for only another 5 years.

Contacts between Moscow and Bucharest have been very intense in the last month and there are reports that Romnia was won over with the Soviet promise of large supplies of raw materials, particularly oil.

The leaders of the seven member states will convene today in Warsaw -- Soviet Union, East Germany, Hungary, Poland, Czechoslovakia, Romania and Bulgaria.

CSSR: JAKES MEETS PARTICIPANTS IN LABOR SESSION

LD260604 Prague Domestic Service in Czech 1630 GMT 25 Apr 85

[Text] Today in Prague Milos Jakes, Presidium member and CPCZ Central Committee secretary, received participants to the 17th consultative meeting of the heads of CEMA members' state bodies for labor. He expressed appreciation for the work of the meeting, which is dealing with measures in the sphere of labor, wages, social security, international socialist competition, and so on that are important factors for the CEMA member-countries' national economies and for their cooperation. He stressed the necessity of improving the quality and planning of management, the increase of powers and also responsibility of individual working teams. Comrade Milos Jakes then stressed the need to increase the productivity and quality of the entire work by the consistent application of financial autonomy and team forms of organization of work and remuneration.

BRIEFS

NICARAGUA-CEMA SESSION ENDS -- Berlin, 25 Apr (ADN) -- A meeting lasting several days between the CEMA foreign trade and transport working group and the Republic of Nicaragua ended successfully in Berlin Thursday with the adoption of recommendations regarding the expansion of relations. The Nicaraguan delegation was headed by Orlando Solorzano, deputy foreign trade minister. Since the signing of the cooperation agreement between the CEMA countries and Nicaragua on 16 September 1983, economic relations have been developing dynamically. The CEMA member-countries are participating in important industrial and agricultural projects of this friendly Latin American country, including in the construction of port installations, refrigeration stores, plants for agriculture and the food industry and the reequipping and modernization of existing enterprises. The presence of CEMA-country experts also is of great importance. [Text] [East Berlin ADN International Service in German 1553 GMT 25 Apr 85 LD]

ZHIVKOV, LEADERS DEPART FOR WARSAW PACT SUMMIT

AU251802 Sofia BTA in English 1733 GMT 25 Apr 85

[Text] Sofia, April 25 (BTA) -- A delegation of the People's Republic of Bulgaria, led by Mr Todor Zhivkov, secretary general of the CC of the BCP and State Council president, left today for Poland. They will take part in a meeting of top-ranking party and state leaders of the Warsaw Treaty member countries. The delegation includes Mr Grisha Filipov, Politburo member of the CC of the BCP and chairman of the Council of Ministers, Army General Dobri Dzhurov, Politburo member of the CC of the BCP and minister of national defense, Mr Petur Mladenov, Politburo member of the CC of the BCP and minister of foreign affairs, and Mr Dimitur Stanishev, secretary of the CC of the BCP.

FINLAND'S KOIVISTO ENDS TALKS, DEPARTS 25 APRIL

AU251315 Sofia Domestic Service in Bulgarian 1300 GMT 25 Apr 85

[Text] Mauno Koivisto, president of the Republic of Finland, departed from our country a short while ago. The president of Finland paid a 3-day official visit to Bulgaria at the invitation of Comrade Todor Zhivkov.

At the Sofia airport, which was festively decorated, the guest was cordially seen off by Comrade Todor Zhivko. The ceremony was also attended by the Comrades Grisha Filipov, Petur Mladenov, Petur Tanchev, Stanko Todorov, Todor Bozhinov, Georgi Yordanov, Stanish Bonev, and other officials.

FOREIGN TRADE MINISTER KHRISTOV VISITS BRITAIN

AU251347 Sofia BTA in English 1242 GMT 25 Apr 85

[Text] London, April 25 (BTA correspondent) -- From April 21 through 25 Mr Khristo Khristov, minister of foreign trade, returned the visit which Mr Paul Channon, minister of state for trade at the Department of Trade and Industry, paid to Bulgaria last July.

At the talks which Mr Khristo Khristov had with his host Mr Paul Channon, as well as with Mr Norman Tebbit, secretary of state for trade and industry, it was emphasized that Bulgaria and Britain had maintained vigorous reciprocal trade and economic cooperation and had registered high rates of growth in the commercial exchange over the last two years. This in turn has had a favorable influence on the overall improvement of bilateral relations.

The steady and high rates of economic growth, as well as the readiness showed for expanded trade and economic contacts on the basis of equality and mutual benefit has turned Bulgaria into a welcome partner to the Western companies and in particular to the British ones. Their interests was accentuated at the meeting with authoritative representatives of the British business community who discussed various forms of further trade and economic cooperation, joint industrial production and exchange of goods and services.

LEADERS PAY TRIBUTE AT LENIN MONUMENT 22 APRIL

AU241803 Sofia RABOTNICHESKO DELO in Bulgarian 23 Apr 85 p 3

[Text] The Bulgarian Communists and all our people paid tribute to Vladimir Ilyich Lenin, briliant theoretician and revolutionary and founder of the Soviet state, on the occasion of his birthday -- 22 April. They paid tribute to his prophetic life and to his revolutionary cause. The flowers, which thousands of citizens laid at Vladimir Ilyich Lenin's monument in Sofia, were an expression of this reverence and gratitude.

Wreaths of gratitude were also laid on behalf of the BCP Central Committee, the National Assembly, the State Council, the Council of Ministers, the Bulgarian National Agrarian Union Permanent Board, the Trade Unions Central Council, the Komsomol Central Committee, the National Bulgarian-Soviet Friendship Committee, the Sofia City People's Council, the Central Committee of Fighters Against Capitalism and Fascism, the Sofia City BCP Committee, the Sofia Okrug People's Council, and the Sofia Okrug BCP Committee, as well as on behalf of the Lenin Rayon BCP Committee.

A wreath was also laid on behalf of the USSR Embassy in Sofia.

The ceremony was attended by Comrades Grisha Filipov, Dobri Dzhurov, Milko Balev, Ognyan Doynov, Pencho Kubadinski, Petur Mladenov, Petur Tanchev, Stanko Todorov, Todor Bozhinov, Chudomir Aleksandrov, Andrey Lukanov, Georgi Yordanov, Petur Dyulgerov, Stanish Bonev, Dimitur Stanishev, Stoyan Mikhaylov, Vasil Tsanov, Kiril Zarev, by State Council Deputy Chairmen Georgi Dzhagarov, Mitko Grigorov, Peko Takov, and Yaroslav Radev, as well as by Council of Ministers Deputy Chairman Georgi Karamanev.

Leonid Kerested'jians, charge d'affaires a.i. of the USSR Embassy in Sofia, was also among those present.

A representative detachment from the Bulgarian People's Army presented arms.

JOINT ENTERPRISE SET UP WITH CZECH TRADE MINISTRY

AU192025 Sofia Domestic Service in Bulgarian 1930 GMT 19 Apr 85

[Text] The Ministry of Production and Trade for Consumer Goods and the Ministry of Trade of the Czech Socialist Republic for the first time in the history of their relations will collaborate on a joint enterprise for trade equipment [turgovsko obzavezhdane]. This enterprise will be built on the basis of the existing plant for kitchen equipment in Kyustendil. The preliminary conditions for the construction of the enterprise and its production program were discussed at a meeting between the delegations of the two ministries which ended today with the signing of a protocol.

The leader of the Czech delegation, Jaroslav Blazek, Czech minister of trade, was received by Georgi Karamanev, deputy chairman of the Council of Ministers and minister of production and trade for consumer goods, with whom he discussed questions of further expanding the exchange of mass consumer goods.

HUSAK LEADS DELEGATION TO WARSAW PACT MEETING

LD251423 Prague Domestic Service in Czech 1330 GMT 25 Apr 85

[Text] A Czechoslovak delegation led by Gustav Husak, CPCZ Central Committee general secretary and president of the Republic, left Prague for Warsaw today to attend the meeting of the highest party and state representatives of the Warsaw Pact member-states.

The delegation also includes CPCZ Central Committee Presidium members: Federal Premier Lubomir Strougal, CPCZ Central Committee Secretary Vasil Bilak, Minister of Foreign Affairs Bohuslav Chnoupek, and Minister of National Defense Colonel General Milan Vaclavik.

At the festively decorated Ruzyne Airport in Prague Gustav Husak, CPCZ Central Committee general secretary and president of the Republic, and other members of the delegation were seen off by CPCZ Central Committee Presidium members Alois Indra, Milos Jakes, Antonin Kapek, Josef Kempny, and Josef Korcak; CPCZ Central Committee Presidium candidate members Jan Fojtik and Josef Haman; CPCZ Central Committee Secretaries Mikulas Beno, Josef Havlin, and Frantisek Pitra; CPCZ Central Committee Secretariat members Zdenek Horeni and Marie Kabrhelova.

Also present at the departure ceremony were CPCZ Central Committee departmental heads, deputy federal premiers, and federal ministers, leading representatives of the National Assembly, generals of the Czechoslovak People's Army, and other representatives of our political and public life, as well as Andrzej Jedynak, ambassador of the Polish People's Republic to Czechoslovakia.

Shortly after 1430 the state anthem was played. Gustav Husak, CPCZ Central Committee general secretary and president of the Republic, received a report from the commander of the honor guard of Prague Garrison standing on the runway with a combat banner. Accompanied by Minister of National Defense Colonel General Milan Vaclavik, he inspected the honor guard and then said goodbye to the Czechoslovak Communist Party and state representatives and officials of the Polish Embassy. The honor guard honored Comrade Gustav Husak with a festive march. Pioneers gave the members of the delegation bouquets of flowers. After that the special plane left for Warsaw.

PRAGUE RADIO COMMENTS ON GORBACHEV CC SPEECH

LD252151 Prague Domestic Service in Czech 1630 GMT 25 Apr 85

[Text] Our commentary today deals with the foreign-political aspects of the speech delivered at the 23 April session of the CPSU Central Committee by its general secretary, Mikhail Gorbachev. The commentary has been prepared by Antonin Kostka, editor.

[Kostka] Although the speech can be divided formally into two parts, domestic and foreign-political, it is very difficult to say which is of a greater international importance. Because of the size of the USSR and its pioneering mission arising from the historical fact that it was the first country to build socialism, all the economic, social, and political problems of the construction of Soviet society have great international importance; they deeply influence the development in other countries of the socialist community and the standing of socialism in the present-day world as a whole, not to mention the decisive peace role of the USSR based on its economic, moral, and military strength.

Concerning the essentially foreign-political problems dealt with in the speech, in this case, too, we can say that its main weight and convincing character also lies in the first, the domestic part. The foreign-political elements are a logical continuation because a party which directs society toward such great tasks in the development of the economy, the improvement of the social structure of the society, and toward a significant improvement of the life of all working people in all aspects -- such a party cannot follow a policy other than that of peace, international understanding, and cooperation.

This is a policy, Comrade Gorbachev said, given by our social system, by our moral and world view. It is therefore logical that Comrade Gorbachev not only again stressed the determination of the Soviet Union to develop the policy of disarmament and peace on a very concrete basis, and put forward a proposal for representatives of signatories of the Helsinki Final Act to meet in Helsinki again on its 10th anniversary and to confirm yet again the will of their countries to continue in the efforts for detente, disarmament, and cooperation, at the same time he pointed his finger at the United States as the main violator of the peace efforts of the peoples. He appealed to representatives of the United States at the same time for realism and honest cooperation in solving the most urgent questions of our time. We can only welcome this resolute and constructive attitude.

In this connection, one cannot overlook two very important new aspects: Mikhail Gorbachev was the first to use the expression economic security of states. This means that the United States, by its efforts to gain a position of global dominance, is acting so rudely that it represents not only a military but an economic threat to the world and it is in the interest of all to defend against this.

As for the second new aspect, as was said in the speech, as long as NATO exists, the Warsaw Pact has to continue to play an important role in the defense of positions of socialism in Europe and the world. This is the unavoidable reply to the long-standing trend of NATO to interfere outside its geographic area.

European socialist countries have never been, and cannot ever be, indifferent to the struggle for socialism anywhere, not only because of class and internationalist solidarity but above all because the defense of socialism is an inseparable part of the struggle for peace and strengthening of international security -- political, economic, and military.

PROBLEM OF CONSUMER GOODS SHORTAGE DISCUSSED

AU250819 Prague RUDE PRAVO in Czech 22 Apr 85 p 3

[Article by Engineer Ivan Hayek, CSSR People's Control Committee member, and Vaclav Marek of RUDE PRAVO: "On the Results of the Check Carried Out by the CSSR People's Control Committee: Consumer Goods for the Market, and in What Quantities"]

[Text] It is not pleasant for a customer to be unable to find certain goods in the shops. A temporary shortage can be borne, but it is difficult to understand that there is a permanent shortage of certain kinds of goods, sometimes even those that are easily produced. This causes justified dissatisfaction among consumers, which is sometimes even enhanced by the fact that the range of goods in short supply sets off various under-the-counter sales and undesirable machinations. Could it be that the producers in question have been unable to do more for ensuring the market supplies?

Our top party and state bodies are devoting lasting attention to ensuring supplies for the domestic market. After all, this is testified to by the fact that, during the Seventh 5-Year Plan, the increase in the population's personal consumption will reach almost double the figure of the originally planned 3 percent. The federal government's resolution No 151 of 1982 charged the supplier sectors, in cooperation with the Ministries of Trade of the Czech and Slovak SRs, to work out a program to increase production of those products for the domestic market that have long-term shortages; this was intended to gradually improve the supplies to the market. For instance, it was possible to eliminate the shortage of nonwoven rugs, bed linen, cooking ranges, and solid fuel stoves, as well as of electric irons and other kinds of goods. However, far too few items have been ensured so far -- far less than expected. For instance, only 55 percent of the items included in the program for this year have been ensured in the first round of negotiations on supplier-consignee relations. Compared with 1983, the level of program ensurance has even dropped.

Operational Activities Instead of a Program

Compared with the items included in the program, we have a much larger quantity of goods in short supply. Frequently they are in the small run products category or are goods for daily use, and ensuring their availability has so far not been dealt with in the program. At the same time, the lack of these goods is all the more burdensome for the consumer. A customer can willingly accept the fact that he must search for a color television set for all of 2 months; but he may find it difficult to accept the fact that he must also search for 2 months for a hook for his chandelier or for some similar trifle.

In collaboration with the republican people's control committees, the CSSR People's Committee oriented its check exactly toward determining why we are not succeeding in fully realizing the government resolution; at the same time, it was concerned with finding the point from which to begin in order to improve the situation. Understandably, the satisfaction of demands cannot be considered isolated from the possibilities of production and of investment means. An ideal situation cannot be achieved in everything. But both production and trade organizations could have made far better use of the given possibilities, had the management of the appropriate ministries, economic production units, and enterprises in this sector also had appropriate standards.

The government stipulated that market supplies must become a program, so that all the necessary links are ensured -- from market research up to the reflection of demands in the production plan, distribution system investments, and possibly foreign currency means. However, in a number of instances the idea became bogged down in the effort to at least ensure trade's annual demands by isolated separate measures of production organizations. When the reserves that could be quickly moved were mobilized, it was suddenly found that the production resources had neither been prepared nor ensured. The lack of coordination is testified to, for instance, by the decision adopted by one of the sections of the Ministry of Indusrry in the Czech SR to raise the deliveries of corduroy trousers, women's cotton dresses, hosiery, and other products without discussing this intention with the other ministry departments concerned. The consequence was that the specific ensuring of this range of products was not resolved, and the problem with the search for corduroy trousers has remained as it was.

The Ministries of Trade also failed to provide the necessary orientations for producers. In fact, year after year the ministries came out with a list, 50 percent of which consisted of new ideas, which were goods in short supply; this shows that they have only very incomplete ideas about the development of the market.

And the producers then justly complained that, if they build the facilities needed for the lacking goods in short supply and equip the workshops with machinery according to trade's demands, it is possible that a few months later the trade will come out with a statement that, in fact, there are adequate supplies of the goods in demand. This is what happened, for instance, with solid fuel stoves. First, trade demanded a rapid increase in their production; and then it failed to receive the stoves. In simple words, the ideas on development of the market are not as objective as to correspond to needs.

The Ministries of Trade of the two republics instruct trade to keep regular records on demands that have not been met; but shop managers are most dilatory in fulfilling this duty. Even the sample departments of the wholesale trade are no better in this respect. The leading staff works out its monthly or quarterly reports of development of the situation in the market more or less by estimating it. But the producers, too, must participate in market research. However, their research shops are also fulfilling their function in an unsatisfactory way.

Thus, instead of an interlinked program for ensuring the production of goods in short supply, we saw the primarily operational activities both of producers and of trade. Understandably, this could not yield the desirable change in supplies to the market.

Ancillary Production So Far Unattractive

One possibility for resolving the shortage of goods and at the same time enriching the market is to introduce the production of consumer goods in organizations which have so far not produced consumer goods. Certain goods from this production have enriched the range of products offered, for instance, the Kyber construction set or the Mezel Elektronik. In this manner we have also succeeded in ensuring sufficient supplies of spades, hoes, and so forth. However, the situation is far from satisfactory. Last year ancillary production ensured the delivery of Kcs300-million-worth of goods in wholesale prices, that is, about 20 percent of the set task.

The fact that the ministries and economic production units have failed to decide how to ensure trade's demands and have left this mostly to the initiative of enterprises has led to the result that only in a limited number of instances was the meeting of these demands reflected in the introduction of an ancillary production. This, on the other hand, is the reason for the duplicated preparation, and sometimes even the beginning of production work.

Most of the products listed in the papers worked out by the trade ministries already had their producers; but it was only when a new potential producer asked for technical documentation that it became apparent that the enterprise currently producing the goods was capable of meeting the demands by itself. The management bodies, ministries, and economic production units have to decide, on the basis of trade's demands, whether to entrust the meeting of production targets to the producer currently working on it, or whether to assign it to another producer for ancillary production. But the ministries did not contribute to this coordination efficiently, so that several places then strived to produce one and the same thing, such as extension ladders or lawn mowers; in these cases seven independent producers began simultaneously preparing production.

Moreover, the control of task fulfillment by the ministries' trade and production sectors was so formal that they even recognized in the report sheets those deliveries that do not belong to ancillary production. Thus, for instance, the control report of the Ministry of Electrotechnical Industry states that 46 organizations are fulfilling the task of ancillary production.

However, it was later ascertained that in fact the task referred to merely 23 organizations, only 2 of which were implementing the measure in 1983. Similar imprecisions were also to be found in the report of the Ministry of General Engineering. But surely one needs objective data for good management.

Despite the various goods exhibitions and other actions, the Ministries of Trade have failed to efficiently fulfill their motivating function in the development of ancillary production. Instead of demanding that, above all, run-of-the-mill producers supply the products in short supply, they shifted the demands for even technically complicated products, such as television sets or deep-freeze units, to the sphere of ancillary production which, for obvious reasons, most producers have found it unfeasible to start.

On the other hand, the check proved that a number of enterprises can efficiently contribute toward expanding the range of products on the market by subdeliveries, cooperation, or the production of spare parts for the producers of finished consumer goods. Thus, for instance, the Liaz enterprise in Liberec has begun producing casts for Apollo boilers; the Avia Prague enterprise has begun cooperating with the Lovena Mechanika, Drupol, and other production cooperatives. Broader development of this cooperation was hampered by the fact that these deliveries were not recognized as ancillary production.

The Customer Demands Quality and Technical Standards

The fact that he can find certain goods in the shops is not sufficient to satisfy the customer. He is also interested in the technical and esthetic standards of the goods. According to the appropriate government decisions, in 1981-85 the deliveries of innovated goods were to have been ensured to the tune of Kcs7 billion annually. But even this task has not been fully accomplished. Not even the innovation programs for the current 5-year plan in individual ministerial departments have met the targets set by the government, and even the considerably reduced expectations are not being fulfilled. The statement that 50 percent of the evaluated output of the consumer electronics industry has been graded first-class sounds very good. But if we detract from this amount one single product -- color television sets -- then the volume of products graded as first-class will immediately drop to a mere fraction of the above value. The main producers of consumer goods in the jurisdiction of the Ministry of General Engineering, namely the Prago Union and Strojsmalt economic production units, end up in last place among the department's economic production units in relation to their share of first-class quality products in the total evaluated production.

On top of that, the approach of the supraordinated ministries does not correspond to these realities. Instead of striving for a substantial change, instead of establishing appropriate conditions for this, they merely produce what are essentially statements of fact, and they even lower the plan goals. For instance, the Prago Union enterprise was set a lower percentage of products with high technical-economic standards in this year's plan than in 1981, according to the original breakdown of the 5-year plan. How long will it take us, with such methods, to produce truly attractive goods?

The shortcomings begin as early as in the technical development plans. The innovations of consumer goods are primarily included in enterprise plans; thus the influence of higher management links is rather limited, and control does not operate, either.

The situation is registered, it is not directed. In this way, instead of helping establish the needed conditions from their own level, the higher management levels merely take note of the changes of deadlines or of the cancellation of tasks. And the changes are not small, either. In the Tesla-Consumer Electronics concern alone, the task changes affected 50 percent of the innovation plans, so that the consumers will be waiting in vain for the envisioned innovated production to the tune of Kcs1.2 billion. The way an innovation plan can be impaired by half-hearted or delayed decisionmaking is documented rather well by the development of the K-11 casette tape recorder in the Tesla Prelouc enterprise. The development was started in 1978, but the technical deputy director of the enterprise asked the suppliers to develop the integrated circuits only in 1980. The supplier did not accept this demand, and the task was therefore canceled in 1983. The industry ministries are not ensuring the necessary speed and standards of innovations, either. The innovation program of the Ministry of Industry in the Czech SR for the Seventh 5-Year Plan contains merely one-fourth of the demands voiced by trade. Although the expenditures for research and development are constantly growing, the results are slow in materializing.

The license purchases were expected to speed up the technical development. So far, only 4 of the original 64 contemplated purchases were carried out and the means for buying licenses have remained unexhausted. The truth is that the purchase of the license itself represents merely a fraction of expenditures required for buying the machinery and equipment needed to start production. This, too, was one of the reasons why the licenses were not utilized. However, this was not an obstacle that could not be influenced, if only the ministries and other economic production units had a clear idea of their license plans. Then the license purchase would be reflected in all parts of the plan, and would be also linked with the necessary investments. The considerable vagueness of ideas on how to use licenses is also testified to by such examples, as when the Strojsmalt economic production unit was considering the purchase of a license for an automatic washing machine, while at the same time striving to develop one on its own. On the other hand, the Prago Union economic production unit approved the plan to purchase licenses for four products at the time when its own development project was almost completed.

-- The check has proved that both producers and trade organizations could do far more for ensuring the supply of the market than they are doing now. That is why punitive measures have been applied to the responsible economic staff, and in certain instances, they were recalled from their functions.

However, in spite of the list of shortcomings mentioned here, the situation is not hopeless. Already during the check, the leading economic staff on the appropriate management levels were adopting redemptive measures.

The results of the check were discussed in February by the Federal Government. Its deliberations yielded unambiguous tasks for the appropriate ministries, which should, above all, lead toward the programmatic solution of the elimination of the shortage of goods and toward steps to eliminate the term "in short supply" from our market vocabulary.

Economic production units and enterprises, together with trade organizations, will, in the future, direct their attention also toward ensuring small-run products in short supply. In the interests of the stability of supplier-consignee relations between trade and production, and in order to enhance responsibility for implementing trade's demands on the one hand, and in the interests of ensuring these demands in production on the other, the government has stipulated that, in discussing the deliveries for the current year, one must orientationally ensure the deliveries of the main groups of products for an additional two planning periods.

The fulfillment of this task depends on a striking improvement of market research. In order to remove the limitations that have so far prevented a broader and more efficient development of ancillary production, the government has decided to recognize, apart from deliveries for the domestic market, also subdeliveries and cooperation for the final producers as a fulfillment of ancillary production tasks.

In order to decisively improve the technical standards of consumer goods, the decisive innovation plans will in the future be included in the departmental and sector plans of technical development; at the same time the organizations will be given greater tasks in their plans for the increased volume of products with high technical-economic standards.

On the basis of the report on the main problems in ensuring consumer goods for the domestic market in 1985, the CSSR Government also approved a set of concrete measures for ensuring deliveries of the most important products in short supply already for the current year. They include, for instance, cotton knitwear, footwear, refrigerators and freezers, but also tennis balls and figure skates.

The check has also clearly proven that the appropriate ministries, and the production and trade organizations, must contribute to these measures with far greater responsibility and initiative.

SED DELEGATIONS ARRIVE IN PRAGUE FOR TALKS

Naumann Heads Berlin Group

LD251447 Prague Domestic Service in Czech 0900 GMT 25 Apr 85

[Text] A delegation of the SED Berlin Bezirk Executive Committee led by its first secretary, Konrad Naumann, Politburo member and SED Central Committee secretary, arrived in Prague today.

In the course of their 3-day stay the guests will meet representatives of political, economic, cultural, and social life, and working people in enterprises and offices. At Ruzyne Airport the delegation was welcomed by Antonin Kapek, CPCZ Central Committee Presidium Member and leading secretary of the Prague party committee, and other representatives.

Received by Jakes

LD260619 Prague Domestic Service in Czech 1930 GMT 25 Apr 85

[Text] Milos Jakes, Presidium member and CPCZ Central Committee secretary today met Konrad Naumann, Politburo member, SED Central Committee secretary, and Berlin party committee first secretary.

The two representatives informed each other about their countries' political and economic situation and the results of the implementation of conclusions of the 16th CPCZ Congress and 10th SED Congress. They appreciated the level of economic relations between the Czechoslovak SR and the GDR and agreed completely in their view of world political developments.

Drescher Leads CC Group

LD260451 Prague Domestic Service in Czech 1430 GMT 25 Apr 85

[Text] In Prague today Frantisek Pitra, CPCZ Central Committee secretary, received a SED Central Committee delegation led by Heinz Drescher, deputy head of a department of that party's Central Committee.

He briefed the guests on the results of our agriculture and food-processing industry's development and on experiences in party work. Some questions with regard to the further deepening of cooperation in this sphere were also examined.

STROUGAL CONFERS WITH BULGARIA'S STOICHKOV

LD260239 Prague Domestic Service in Czech 1330 GMT 25 Apr 85

[Text] Today in Prague Federal Premier Lubomir Strougal received Grigor Stoichkov, deputy chairman of the Council of Ministers of the Bulgarian People's Republic. The two representatives praised results achieved in Czechoslovak-Bulgarian economic cooperation in the past period, which is reflected in a quick growth in the exchange of goods.

They stressed that with regard to the 1986-1990 period, for which the five year plans of economic development are being prepared in both countries, it is necessary to actively seek ways of further enriching economic and scientific-technological cooperation. This is particularly true as regards deepening production cooperation and specialization in engineering and some other spheres of the national economy.

POLEDNIK RECEIVES PZPR'S POREBSKI FOR TALKS

LD260320 Prague Domestic Service in Czech and Slovak 1400 GMT 25 Apr 85

[Text] In Prague today Jindrich Polednik, CPCZ Central Committee secretary, received Tadeusz Porebski, Politburo member and PZPR Central Committee secretary. In the course of a cordial, comradely discussion, they exchanged experiences from fulfilling the two parties' tasks in developing and improving the political system and the activity of state management bodies. They also dealt with the questions of party work in social organizations and the further development of Czechoslovak-Polish contacts in this sphere.

AGRICULTURE, TRADE PROTOCOL SIGNED WITH PDRY

LD240550 Prague CTK In English 1645 GMT 23 Apr 85

[Text] Prague April 23 (CTK) -- Czechoslovakia will extend its participation in capital construction projects in the Yemen People's Democratic Republic, especially in agriculture and the textile industry, the Czechoslovak-Yemeni Commission for Cooperation decided at its 4th session here.

A trade protocol was signed which provides for higher Czechoslovak exports to People's Yemen. The delegations were led by Yemeni Deputy Minister of Planning Ja'far Hamid Muhammad.

HONECKER, POLITBURO DELEGATION LEAVE FOR WARSAW

LD251544 East Berlin ADN International Service in German 1523 GMT 25 Apr 85

[Text] Berlin, 25 Apr (ADN) -- The GDR delegation headed by Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR Council of State, left for Warsaw Thursday afternoon to attend the meeting of the highest party and state representatives of the Warsaw Pact member-countries.

The delegation is composed of SED Central Committee Politburo members: Willi Stoph, chairman of the Council of Ministers; Herman Axen, secretary of the Central Committee; Army General Heinz Hoffmann, minister of national defense; and Egon Krenz and Guenter Mittag, secretaries of the Central Committee; and Oskar Fischer, member of the SED Central Committee and minister of foreign affairs.

The delegation, led by Erich Honecker, was seen off at Berlin-Schoenefeld Airport by members of the party and state leadership. Present was Maciej Wirowski, ambassador of the Polish People's Republic to the GDR.

SINDERMANN, SOVIET GENERALS AT TORGAU CEREMONY

LD251508 East Berlin ADN International Service in German 0933 GMT 25 Apr 85

[Text] Torgau, 25 Apr (ADN) -- To the sound of Chopin's "Immortal Victims" and funeral march, two members of the FDJ carried Erich Honecker's wreath at the head of the procession of public figures.

The ceremony was attended by: Horst Sindermann, member of the SED Central Committee Politburo and president of the People's Chamber; Horst Schumann, first secretary of the Leipzig SED Bezirk Executive Committee; Otto Funke, chairman of the Central Executive of the GDR Committee of Antifascist Resistance Fighters; and professor Guenther Drefahl, president of the GDR Peace Council. It was also attended by Vyacheslav Kochemasov, USSR ambassador to the GDR; Army General Mikhail Zaytsev, commander in chief of the Group of Soviet Armed Forces in Germany; and Colonel General Aleksey Lizichev, member of the military council and head of the political directorate of the group.

Citizens of the town of Torgau then laid bunches of flowers at the memorial to the historic linkup, which was set up immediately after the war. Thousands of people attended the solemn ceremony.

They expressed their desire for peace, international understanding, and solidarity on many banners in the Russian, English, and German languages.

In his address Mayor Straehle described the linkup at the Elbe 40 years ago as an expression of the will of the anti-Hitler coalition to make possible a life in peace for mankind. The oath of Torgau contained an obligation to do everything to achieve lasting peace and to work jointly to ensure that the dangers which threaten peace today are overcome.

The anti-Hitler coalition which was formed during World War II, the speaker said, conveyed a number of lessons for the current struggle for a worldwide coalition of reason and a broad front for the prevention of a nuclear catastrophe. The oath by the members of the 58th Soviet Guards Division and the 69th U.S. Infantry Division 4 decades ago was an admonition and obligation to prevent a new war with all one's strength.

We will never forget, the speaker said, that the smashing of fascism by the armies of the anti-Hitler coalition was also the starting point for successful development of the town of Torgau. He assured the guests that the legacy of the fighters in the anti-Hitler coalition, of all antifascists, is in good hands here.

The head of the group of Soviet war veterans, General Yuriy Naumenko, conveyed a message of greetings from Mikhail Gorbachev, general secretary of the CPSU Central Committee, to the participants at the meeting in Torgau, which was received with hearty applause.

In his address Gen Naumenko said the historic linkup at the Elbe had become a symbol of the possibility for a joint peace struggle. Today it is the responsibility of sons and grandsons to give substance to the Torgau oath, to jointly strive for peace, security, and cooperation among the peoples.

William Beswick, vice president of the War Veterans Association of the 69th U.S. Infantry Division, then extended warm greetings to the participants at the peace meeting. The 60 veterans of this division and 54 wives, among them 2 widows of veterans, came to this historic place of the linkup in order to honor the fallen soldiers and at the same time to underline the friendship that was born in those hours in 1945, he said.

William Beswick thanked the GDR citizens for giving a warm welcome to the members of his delegation during many stages of their visit.

Then Ken Gemre from Dallas, Texas, spokesman for the U.S. group "40th Anniversary -- Journey for Peace," who himself took part in the Torgau linkup in April 1945, extended fraternal greetings to the Soviet comrades-in-arms.

His group has a very diverse membership and contains both young and old, people of many professions and religious affiliations; but they all have a common desire for peace through the creation of a Soviet-American coalition. Only thus can the great tasks of mankind be overcome. Torgau, as a bridge of friendship between the two states, is proof of the possibility of achieving this aim, Ken Gemre said.

Then Robert Swon [ADN spelling] of the same U.S. group "40th Anniversary -- Journey for Peace," read greetings messages from former U.S. Presidents Jimmy Carter and Richard Nixon to the Torgau meeting.

Many other greetings messages from home and abroad, including from the "Generals for Peace and Disarmament" group, were also extended to the peace rally.

At the end of the rally, Alexander Olshanski and William Beswick, on behalf of Soviet and U.S. war veterans, read a statement on the 40th anniversary of the linkup at the Elbe. In the statement, the war veterans again pledge their allegiance to the oath made by the comrades-in-arms on 25 April 1945 -- to devote their lives to promoting friendship between the peoples of the USSR and the United States so that war will never again occur. The statement says that the fascist war cost mankind 50 million dead. Today, when tensions in the world have reached dangerous proportions, it is important to recall this bitter lesson.

The war veterans again spoke strongly in favor of the primary human right of all nations -- peaceful life, an end to the arms race, and the prevention of war. Today there is no alternative to life in peace.

GORBACHEV SPEECH TO CPSU PLENUM VIEWED

LD252152 East Berlin Domestic Service in German 2010 GMT 23 Apr 85

[Text] CPSU General Secretary Mikhail Gorbachev stated today on the conclusion of the first round of the Soviet-American negotiations that the USSR continues to be ready for mutually acceptable arms reduction argeements. This statement is contained in a speech to the CPSU Central Committee Plenum, which today in Moscow scheduled the next CPSU congress. Here is a report from Moscow by our correspondent Christian Neef:

[Neef] Almost 5 years to the day from the last party congress, the 27th CPSU Congress will meet on 25 Friday 1986. This is the focal point of the decision made by the CPSU Central Committee members here in Moscow today. As expected, this plenum represents the beginning of a 10-month preparatory and, above all, electoral period for the party, which has important new documents to discuss at its next party congress: the new edition of the CPSU program, which has already been under discussion for some time, and changes in the CPSU rules and basic guidelines for the economic and social development of the USSR up to 1990 and up to the year 2000.

It was obvious that the detailed speech delivered today in the plenum by Mikhail Gorbachev would primarily be dedicated to internal policy, namely the preparatory period for the party congress. Nonetheless, many passages deal with international issues. Gorbachev himself said that the complicated international situation and the increased tension oblige us to also attach primary importance in the future to foreign policy questions.

His statements on this are an appeal to direct international relations, 40 years after the end of the war, into a channel of normal cooperation and to contain all danger of war. Gorbachev principally stressed the importance of still closer cooperation between the socialist countries in all areas. We agree, he said in his speech, that the Warsaw Pact will continue, as long as the NATO bloc exists, to play an important role in defending socialism and will have to serve as an instrument for consolidating international security. The USSR will also purposely expand relations with the other socialist countries, the general secretary said, here also naming the PRC; the latest round of political consultations between the USSR and PRC ended here in Moscow only last weekend.

Gorbachev's observations on the capitalist countries were also a clear commitment to dialogue and cooperation. We are in favor of developing normal and equal relations, he told the members of the Central Committee; disputed issues and conflicts must be solved by political means. Gorbachev pointed here once again to the significance of those interstate agreements from the era of detente and referred to them as an example of international relations based on equality and equal security. In this he included the Helsinki Final Act. In view of the forthcoming 10th CSCE anniversary it could well be useful, Gorbachev said, to proclaim anew the will to overcome tension and develop peaceful cooperation.

Naturally, in his speech today Mikhail Gorbachev again addressed in detail Soviet-American relations and reaffirmed his country's readiness to improve them for mutual advantage and with respect for the legitimate interests of each side. The general secretary contrasted this, however, with the U.S. attitude in Geneva. The first round of the Soviet-American negotiations, which ended today, already shown that Washington is not setting a course directed at reaching an accord with the USSR. As proof, Gorbachev named, among other things, the United States' refusal to discuss preventing an arms race in space along with the issue of reducing nuclear weapons, which is a clear violation of the bilateral agreement reached in January.

We hope, Gorbachev said, that the United States will still amend its present position. This would open up the possibility for achieving mutually acceptable accords. As proof of the relevant will to negotiate on the Soviet side, he quoted the recent proposals for a moratorium and the unilateral decisions by his country in this connection. The stereotyped "No!" to the Soviet proposals gives rise to fears that the United States is not interested in reasonable results. An arms race and disarmament negotiations are incompatible, however. What is needed now is a serious policy without striving for some sort of hegemonistic position and with no repetition of the bad experience of previous negotiations, Gorbachev said.

Just a few words now on the domestic policy part of the speech. First there was a clear confirmation of the course toward accelerated and intensified economic development. The general secretary mentioned many details in connection with this. Here are a few main points: a more rapid increase in labor productivity, still better use of the enormous economic potential, automation, the integrated development of agriculture and, above all, a thorough improvement in management and planning mechanisms. Gorbachev also explained in detail the concepts for further social policy and announced, among other things, the long-term program for expanding the consumer goods industry. The plenum here in Moscow made several important cadre decisions at the end: three new Politburo members -- former Politburo candidate member and Chairman of the State Security Committee Chebrikov, and Central Committee Secretaries Ligachev and Ryzhkov, two very important economic experts -- were elected and the body expanded to 13 members. Defense Minister Sokolov was elected a Politburo candidate member, and RSFSR Minister of Agriculture Nikonov was elected a Central Committee secretary.

POLITICAL PRISONERS INCREASING 'DRAMATICALLY'

AU241410 Paris AFP in English 1347 GMT 24 Apr 85

[Text] Berlin, April 24 (AFP) -- The number of political prisoners in East German jails has risen dramatically in three years from 500 to 8,500, a report by an East German human rights organization says today. The group, known as the August 13 Association, also said the number of women political detainees was now at 1,000 and continued to grow because of their greater involvement in pacifist movements and increased requests for exit visas.

It said the rise in the number of political prisoners was due to a new strategy by East German security services aimed at discouraging potential dissidents through pressure or prison terms. Although the terms are shorter than those given in the past, far more people have been jailed under the plan, the group said. It did not specify how long the average term was.

Separate reports from witnesses have charged that prisons are overcrowded and that food and medical care are insufficient. West German sources, meanwhile, have said that brutality has become a reular practice in many prisons, along with such practices as depriving detainees of food and light.

MSZMP CC PRELIMINARY CONGRESS REPORT PUBLISHED

AU091450 Budapest NEPSZABADSAG in Hungarian Supplement 23 Mar 85

["MSZMP Central Committee Preliminary Report to the Delegates of the 13th Congress--Abridged Text"]

[Text] I. The Central Committee Meetings

The Central Committee held 23 meetings in the period between the 12th congress and 1 March, the end of the period covered by the report.

During its meetings, the Central Committee regularly dealt with current international issues.

Among social policy issues it approved the Sixth 5-Year Plan and the annual people's economy plan and budget guidelines; it evaluated implementation of the 5-year plan, the annual people's economy plan, and the current phase of the Sixth 5-Year Plan; and it adopted a position on the tasks ahead. The Central Committee also dealt with the upcoming tasks for further development of economic macromanagement, our foreign economic relations, industrial management, and labor affairs management. Together with the Council of Ministers, the Central Committee approved a decision on guidelines for housing construction, maintenance, management and distribution and heard a report on the state of implementation of this decision and on the state of implementation of a second 15-year program of comprehensive housing construction.

The Central Committee dealt with the political and organizational preparation of the 1980 elections of National Assembly delegates and council members; it received information on the election experience and made proposals for the elected National Assembly concerning personnel issues; it made decisions concerning the further development of the election system, on the further development of local party and state guidance in view of the elimination of districts; it received information on the amending and supplementing of certain constitutional regulations; and it discussed the activity of the National Assembly and Councils and made proposals for the further development of this activity.

The Central Committee was informed about experiences in implementing the Central Committee decision of 15 June 1972 on state education, and a position on issues concerning the further development of public education.

The Central Committee listened to reports on current issues of our domestic policy.

The Central Committee, among the issues concerning the party's internal life, made decisions on the work organization and methods of the Central Committee and on the new system of paying membership dues; it comprehensively evaluated the implementation of the decisions of the 12th congress and summed up its experience of 2 years; it decided on convening the 13th party congress; it dealt with political and organizational issues connected with the congress; and it debated and approved the Central Committee congressional guidelines, the congressional report, the draft resolution of the congress, and proposals for the modification of organizational regulations.

The Central Committee adopted a position on issues of developing the activity of trade unions and outlined the party's tasks; it also dealt with the social situation of youth and with youth policy issues.

The Central Committee regularly invited to its meetings the chairman and secretary of the Central Committee, the department heads of the Central Committee, the first secretaries of county and county-level party committees, the secretaries of the municipal party committee, the secretaries of the National Trade Union Council [SZOT], the members of the Council of Ministers, the heads of national organs operating under the leadership of state secretaries, and representatives of the central press. The members of the Central Control Committee also took part in the discussion of certain more important issues.

From among its members, the Central Committee assigned work committees to prepare reports on the work organization and methods of the Central Committee, on the further development of the electoral system, and on the long-term development of the educational system.

The members of the Central Committee and Secretariat, in accordance with the well-proven working style of the party, participated in work programs regularly and according to a previously approved plan for uniform interpretation of the Central Committee decisions, their implementation, and the supervision of this implementation. In the period from April 1980 to 1 March 1985, they undertook a total of 810 visits within Budapest and the counties.

On the occasion of these visits, they held consultations with county, district, city, urban-district party and state leaders and held mass rallies and conferences of the aktiv. They visited enterprises, production cooperatives, ministries, supreme authorities, institutions, universities, youth construction camps, and mass organizational centers. They participated and took the floor at party membership meetings, party basic organization meetings, election nominating meetings, youth parliaments, delegate conferences of mass organizations and movements and their congresses, and the congresses of minority federations. They met with veterans, workers, production cooperative workers, socialist brigade leaders, trade union stewards, Workers' Guard members, intellectuals, sportsmen, and foreign personalities visiting our country.

The Central Committee members regularly participated in party events, party committee and executive committee meetings, and membership meetings. Through their personal participation, they contributed at the various party forums to the uniform interpretation and implementation of party decisions.

II. The Party and Some Areas of Its Activity

1. Details of the Party Membership

On 1 January 1985, the party membership numbered 870,992. In 5 years it has increased by 59,159 members (7.3 percent).

The Composition of the Party Membership (in percentages)

	1 January 1980	1 January 1985
By present occupation:		
Active manual workers	28.6	27.4
People actively managing production	7.0	7.1
Retired manual workers	7.9	8.1
Manual workers of producer cooperatives	4.9	4.5
People actively managing production at producer cooperatives	1.4	1.5
Retired manual workers of producer cooperatives	1.8	1.8
Active white-collar workers	34.3	33.5
Retired white-collar workers	6.7	8.9

Other categories, together	7.4	7.2
(Proportion of all retired party members)	16.4	18.8
By original occupation:		
Workers	62.4	62.3
Peasants	10.8	8.9
Intellectuals	9.2	10.2
Technical and clerical employees	16.1	17.0
Other	1.0	0.8
People who do not yet have an occupation	0.5	0.8
By duration of party membership:		
Since before the liberation	0.8	0.5
From 1944-45	7.4	5.3
From 1946-48	8.6	5.3
From 1949-56	9.2	8.6
From 1957-70	42.3	35.3
From 1971-79	31.7	28.2
Since 1979	--	16.8
By age:		
18-21 years of age	0.3	0.4
22-26 years of age	3.8	3.0
27-29 years of age	5.1	4.1
30-39 years of age	25.5	26.0
40-49 years of age	26.6	25.5
50-59 years of age	23.9	32.0
60 years of age and older	14.8	18.0
(Average age of party membership)	45.5	46.9
By school qualifications:		
Completed less than 8 grades of general school	11.5	7.9
Completed general school	25.4	21.5
Completed skilled-worker training school, vocation school	16.6	17.7
Completed secondary school	28.9	31.6
Completed university, college	17.4	21.0
Obtained a scientific degree	0.3	0.2
According to party school qualifications:		
Completed high-grade party school	2.6	4.0
Completed secondary-grade party school	12.2	14.2
Completed primary-grade party school	27.7	26.8
Obtained primary-grade political qualifications at mass educational courses (We began recording these data in 1981.)	--	3.9
Have no party school qualifications, but have completed a seminar	42.3	38.6
Have no party school and seminar qualifications	15.2	12.5

Admission of Party Members

Since the 12th congress, party organizations have admitted 151,224 party members. Of the party members admitted, 36.2 percent are women and 60 percent are KISZ members. Ninety-three percent of the KISZ members were admitted on KISZ' recommendations.

Of those admitted between the two congresses, 57.8 percent belong to the workers class or the cooperative peasantry, 28.4 have a white-collar occupation, and 13.8 belong to other categories. Age of party members admitted (in terms of percentages):

18-21 years of age	9.4
22-26 years of age	26.7
27-29 years of age	22.9
30-39 years of age	34.4
40-49 years of age	6.4
50-59 years of age	0.2
60 years of age and older	--

Of the new members, 13.6 percent have general school or lower qualifications; 25.5 percent have completed study at skilled-worker-training schools or vocational schools; 41.6 percent, secondary schools; and 19.3 percent, university or college.

Members Leaving the Party

Since the 12th congress, 44,418 persons have ceased to hold party membership because of expulsion, being struck off, or resignation.

Those expelled from the party number 7,639; 0.9 percent of party membership.

From the ranks of the party membership 17,591 persons, or 2 percent of the party membership, were discharged.

Those resigning from the party numbered 19,188, 2.2 percent of the party membership.

In the past 4 years 47,647 party members died. This is 5.5 percent of the party members.

2. Party Organs and Organizations

Development of the Number of Party Organs and Organizations and Party Groups Between the Two Congresses

	1 January 1980	1 January 1985
Budapest and county and county-rank party committees	24	24
Budapest district and district-rank party committees	25	28
City party committees	88	108
City-district party committees	7	--
City-rank large village party committees	--	34
Party committees of large villages directly managed by a county	--	33
City-rank enterprise, office, and institution party committees	113	96
Village, enterprise, office, and institution party committees	961	954
Party leaderships	1,892	2,007
Basic organizations	23,933	25,402
Party groups	69,677	72,049

Of the basic organizations, 7,686 operate in industry and the building industry, 3,819 in agriculture, 1,451 in communications, 1,851 in commerce, and 9,456 in offices, institutions, and the armed forces and armed bodies and in other areas.

Leaderships of Basic Organizations

Members of the leaderships of basic organizations, (together with secretaries) numbered 110,633 people in 1980 and 115,341 in 1985.

4. Party Propaganda Work [numbering as published, there is no 3]

Party Education

In party education 695,998 people participated in the 1978-79 school year and 684,373 in the 1984-85 school year. The latter included 371,721 party members.

The proportion of certain forms of education was modified, something which improved the quality of propaganda work.

Participants in Cadre Training Courses (their numbers)

	In the educational years 1978-79	1984-85
Total	133,479	82,997
Of this:		
Marxism-Leninism evening secondary school	31,375	25,685
Marxism-Leninism evening university courses	53,628	47,912
Party school tuition	2,413	10,140
Other cadre training courses	38,336	6,987

Participants in Mass Propaganda Courses (their numbers)

Total	562,519	601,375
Of this:		
Students in courses with a central subject	470,697	433,439
Students in courses with a county-oriented subject and other series of courses	91,822	167,936

Propagandists played a key role in improving the standard of party education. The Politburo dealt in a separate resolution with propagandists' selection, training, and further training; with improvement of their working conditions; and with recognition of their work.

In 1984 approximately 35,000 propagandists conducted courses and tens of thousands held lectures in party education. Of the propagandists, 61 percent have completed university or college and 90 percent have at least medium-level political schooling. Some 8,000 propagandists attend cadre training and further training courses.

KISZ and trade union propagandists total over 60,000.

The number of those participating in party and mass organization tuition in the 1984-85 school year totals 2,035,000.

National Agitation, Propaganda, and Cultural Policy Conference

In January 1983, with the participation of party workers, mass information experts, research scientists, propagandists, writers, university teachers, pedagogues, and critics -- a total of some 800 people -- a national 2-day agitation, propaganda, and cultural policy conference was held in Budapest.

Theoretical Conferences

Since the 12th MSZMP Congress, we have staged theoretical conferences on the following topics:

The social-economic-ideological implications of scientific-technical progress. The experiences and tasks of shaping the world outlook in propaganda work.

The position and role of the intelligentsia in contemporary Hungarian society.

Topical aspects of the international ideological struggle.

History and the general way of thinking.

Youth and society.

Characteristic features of socialist transformation in the village.

Tasks of teaching our post-liberation history and of state tuition in Marxism-Leninism.

Our economic development and the further development of economic macromanagement.

Capitalism in the eighties: crisis and the quest for a way out.

The Political Academy

Since the 12th congress the following lectures have been delivered at the Political Academy:

1980-81

Istvan Huszar: On the party's policy of alliance.

Ferenc Havasi: Experience from the fulfillment of the Fifth 5-Year Plan and the economic construction tasks of the Sixth 5-Year Plan period.

Karoly Nemeth: MSZMP experiences over a quarter-century in the struggle to strengthen party unity.

1981-82

Andras Gyenes: Characteristics of international conditions at the beginning of the eighties.

Mihaly Korom: Development of state life and socialist democracy in our society.

1982-83

Ferenc Havasi: Tasks in realizing our foreign economic strategy.

1983-84

Lajos Mehes: Timely aspects of our industrial policy.

Sandor Gaspar: Trade unions in socialist construction.

Ferenc Havasi: Tasks in the further development of the economic macromanagement system.

Jozsef Marjai: The significance and current task of economic cooperation among the socialist countries.

Gyorgy Aczel: Topical aspects of our cultural policy.

5. The Party's Agitation Activity

To inform the party membership and the public, 370 central political publications, with a circulation of 21 million issues, were published in the period between the two congresses.

Among the subject matter of the political debating circle, 25-27 texts were published annually -- with a circulation of 120,000 -- on topical domestic political, foreign political, economic, ideological, and cultural matters. As an extension of the small sphere of publications of the political debating circle, the anthology periodical REFLEKTOR [REFLECTOR], which publishes selections from the political press, has been published quarterly since 1981 and has a circulation of 12,000 issues.

Since 1980, a new publication reviewing methods of agitation work and visual aids with a circulation of 6,000 issues has been published quarterly under the title MODSZER TANI FUZETEK [METHODOLOGICAL BOOKLETS].

In 1984, a textbook and selection of texts aiding the training and further training of agitators was published with a circulation of 12,000 issues.

In the party organizations there are 9,129 political debating circles in operation with approximately 158,000 participants.

Between January 1981 and August 1984, 36,110 party days were held in which a total of 2,701,000 party members and nonparty people participated.

6. The Party's Daily Newspapers, Periodicals, and Internal Information Publications

The circulation of NEPSZABADSAG is 701,000 per issue and that of the county newspapers 1,277,000. Thus, almost 2 million copies of the party newspapers reach readers each day. The number of plant and institution papers exceeds 700, with a total circulation of 1.5 million.

TARSADALMI SZEMLE [SOCIAL REVIEW] publishes 44,000 copies and 26,000 people subscribe to it. PARTELET [PARTY LIFE] has a circulation of 149,000 and 65,000 subscribers. More than 10,000 copies of the Hungarian-language edition of BEKE ES SZOCIALIZMUS [PEACE AND SOCIALISM] are published, and subscribers number 6,000. The circulation of NEMZETKOZI SZEMLE [INTERNATIONAL REVIEW] numbers more than 33,000 and has 16,000 subscribers. Since March 1980, 32 issues of the publication A PROPAGANDISTA [THE PROPAGANDIST] have reached readers, with an average circulation of 35,000. Since March 1980, 48 issues of the confidential publication on topical political questions, TAJEKOZTATO [BULLETIN] have been published and, in the same period, 52 issues of TITKARI TAJEKOZTATO [SECRETARIAL BULLETIN].

7. The Party's International Information and Propaganda Activity

From March 1980 to December 1984, within the framework of an exchange of lecturers, we hosted 124 lecturers from 14 countries who delivered 427 lectures, and we sent 120 lecturers to 12 countries and they delivered 634 lectures.

English, Finnish, French, Chinese, Polish, Mongolian, German, Spanish, Soviet, and Vietnamese editions of volumes of selected speeches and articles by party leaders were published. Party leaders made statements to the foreign press and television and had items published in foreign papers on 80 occasions. Bulletins published in seven languages at least four times annually provided information for fraternal parties -- as well as numerous socialist, social democratic, and national democratic parties and liberation movements -- concerning our party's most important documents and statements from members of leading bodies.

Each year the MSZMP sent representatives to press fairs of fraternal parties operating in more than 20 developed capitalist and developing countries.

Written, taped, and videorecorded special informative material is sent regularly to Hungarian party organizations operating abroad.

8. The Political College

Between the two congresses, topical economic, economic-political, and ideological issues were more accentuated than previously in the curriculum of the political college. Methods of educational-training activity were also modernized.

Between 1980 and 1985, 434 people (including 87 women) obtained diplomas at the day faculty and 647 people (including 100 women) at the correspondence faculty of the college. In 1983, 10 South Yemeni students completed their studies at the day faculty of the college. At present, 218 people (including 34 women) are studying at the day faculty and 673 people (including 104 women) at the correspondence faculty.

In 5 years, 864 people completed the 10-week course for the further training of leading cadres. In 5 years, 649 people participated in the 1- to 4-week further training courses that satisfy timely requirements and are devoted to single special subject areas.

Economic, political, and theoretical aspects of socialist construction, significant problems of recent Hungarian and world history, and complex issues requiring the cooperation of society are in the center of the scientific research activity of the college.

In the last 5 years, 152 people have gained doctorates at the political college. In recent years its role has also been increasing in scientific training conducted within the framework of the Hungarian Academy of Sciences. Several significant scientific conferences have been staged by the college or held with its substantive participation.

9. The Social Science Institute

In the period since the 12th congress there has been multifaceted analysis at the institute of certain sociopolitical implications of our economic development and the relations between the party and the economy, and research has begun on the expected social effects on further development of the economic macromanagement.

Examination of the structure of society continued, as did research into the way the classes and strata are drawing closer to each other; the development of some groups within the workers class; the changed composition of the contemporary village; the stratification of our society, being shaped under the impact of numerous factors; equality and inequality; and the accumulation of advantageous and disadvantageous situations. Research concerning youth made progress, particularly studies on the beginning of independent lives and careers by young people, the conflicts they are confronted with in connection to this, and their political activity and adjustment.

Research projects have begun to examine certain theoretical aspects of socialism. Analysis of the problems of the division of labor among individual institutions of the socialist political system, of the social mechanisms connected with this, and the study of certain aspects of party direction continued.

The present ideology of social democracy and the main factors shaping it are being examined.

The institute participates in the coordination of social science research projects and in overseeing the direction of government-level and main academic research.

Since the 12th congress, associates of the institute have published 60 books and volumes of studies in Hungarian and 20 in various foreign languages, as well as more than 900 studies and articles in domestic and foreign periodicals. The institute's scientific periodical TARSADALOMTU DOMANYI KOZLEMENYEK [SOCIAL SCIENCE BULLETINS] is published quarterly and has a circulation of 2,500.

Between 1980 and 1984, the institute staged 40 international bilateral and multilateral scientific conferences, experts' debates, and round table discussions, 10 of them with institutions of West European parties, and received 224 foreign guests, scientists, and research workers. During this time it staged several scientific conferences at home and its associates participated in numerous debates devoted to the subject areas mentioned above. It participated in the staging of national scientific and theoretical conferences.

10. The Party History Institute

The party history institute participated in or staged scientific conferences during the Marx centennial, the MSZMP's national party conference, the 25th anniversary of the issuance of the cultural policy guiding principles, and the 40th anniversary of the liberation. The institute also participated in or staged other scientific conferences and published numerous studies and monographs. It is in charge of preparations for a planned series of events and publications marking the 100th anniversary of the birth of Bela Kun and is participating in commemorations for the 100th anniversary of Gyorgy Lukacs' birth.

Within the framework of a medium-term plan approved by the Politburo, monographs and studies were done on the Hungarian workers movement at the turn of the century; interrelations between the Hungarian communist movement and the national-nationality issue; the ascendancy of German fascism and the struggle against it; the cultural policy of the Social Democratic Party after 1945; the fusion of the two workers' parties; the development of the political guidelines of the MSZMP after 1953; and many other issues. Preparations are in progress for the publication of a volume of documents of the MSZMP; collections of documents were published (National Youth Committee, progressive youth movements after the liberation, MSZMP resolutions and documents); two additional volumes of the reminiscence series titled TANUSAGTEVOK [WITNESSES] were completed; and selected works of various outstanding figures of the Hungarian workers movement have been prepared for the press.

The institute's periodical, PARTTORTENETI KOZLEMENYEK [PARTY HISTORY BULLETINS] and its joint publication with the political college, the "Yearbook of the History of the International Workers Movement," were regularly published. The institute and its associates conducted extensive activity in writing, editing, and proofing schoolbooks, educational materials, and publications and contributed to works on the history of the national workers movement and local and plant history.

The institute's archives, library, documentation department, and inventory protection group continued to help protect the party's documentary materials and use them in political and scientific work.

The institute is maintaining a regular working relationship with fellow institutes at home and has maintained and expanded its relations with fraternal institutes operating in the socialist countries and a few scientific institutes operating in nonsocialist countries.

11. The Party's International Activity

MSZMP representatives participated in preparations for and in the work of the conference of European communist and workers parties convened to promote the cause of peace and disarmament. The participants in the meeting held in April 1980 in Paris addressed an appeal to the peoples of Europe in the interests of collaboration aimed at curbing the arms race, a negotiated settlement of disputed issues, disarmament, and the creation of peaceful cooperation among peoples.

Representatives of our party participated in the activity of PEACE AND SOCIALISM, the periodical of the international communist movement, and its various events. Jointly with the editorial committee of the periodical, we staged international theoretical conferences in Hungary under the title "The Dialectics of the National and International in the Workers Movement" in May 1981 and under the title "Agriculture in the Period of Building a Developed Socialist Society" in September 1982. In November 1981 and December 1984, we were represented by high-level party delegations at conferences of the fraternal parties that participate in editing PEACE AND SOCIALISM.

The activity of the socialist countries' fraternal parties in coordinating ideological work and foreign political propaganda, in which our party also actively participates, continued following the 12th MSZMP Congress. The fraternal parties' ideological and foreign affairs secretaries conferred in Moscow in November 1981 and in March, September, and December of 1983, and in Prague in July 1984. The secretaries of the socialist countries' fraternal parties dealing with party organizational issues conducted exchanges of views on topical aspects of the activity of party and mass organizations in Berlin in June 1980, in Prague in March 1982, and in Sofia in May 1984.

Our party was represented by high-level delegations at the international theoretical conferences staged in June 1982 in Sofia by the BCP under the title "Georgi Dimitrov's Life Work and Our Era" and in April 1983 in Berlin by the SED under the title "Karl Marx and Our Era — Struggle for Peace and Social Progress."

Since the 12th congress, MSZMP representatives have conducted high-level talks on 429 occasions with representatives of 85 communist or Marxist-Leninist parties and participated in congresses and other events of fraternal parties.

Our Relations With the Fraternal Parties Operating in the Socialist Countries

In the period since the 12th congress, our relations with the socialist countries' communist and workers parties have continued to expand and strengthen. There were regular high-level bilateral talks between the MSZMP and the socialist countries' fraternal parties.

Meetings between high-level party delegations took place on 168 occasions in the period covered by the report. Comrade Janos Kadar met with and exchanged views on several occasions with the general secretary of the CPSU Central Committee, the general secretaries of the Central Committees of the fraternal CSSR and GDR parties, the president of the Presidium of the Yugoslav fraternal party, and the first secretary of our Polish fraternal party, and met and had talks on one occasion each with the general secretaries of the fraternal Bulgarian, Kampuchean, and Korean parties. The MSZMP was represented by high-level delegations at the congresses of the BCP, the CPCZ, the LCY, the Kampuchean People's Revolutionary Party, the Workers Party of Korea, the Communist Part of Cuba, the Lao People's Revolutionary Party, the PZPR, the Mongolian People's Revolutionary Party, the SED, the RCP, and the Vietnam Communist Party.

Our Relations With Fraternal Parties Operating in Developed Capitalist Countries

MSZMP representatives conducted discussions with the fraternal parties of 28 developed capitalist countries on 151 occasions. Exchanges of views took place with leaders of the fraternal parties of the United States, Australia, Belgium, Great Britain, Cyprus, Denmark, Finland, France, Greece, the Netherlands, Ireland, Israel, Japan, Canada, Luxembourg, Malta, Norway, the FRG, West Berlin, ltaly, Austria, Portugal, San Marino, Spain, Switzerland, Sweden, and Turkey. Representatives of our party participated in the congresses of the fraternal parties of the United States, Great Britain, Cyprus, Denmark, Finland, France, Greece, Ireland, Canada, Luxembourg, Norway, the FRG, West Berlin, Italy, Austria, Portugal, San Marino, Spain, and Switzerland, as well as in the congress of the Swedish Communist Left Party.

Our Relations With Fraternal Parties Working in Developing Countries

In the period covered by the report, MSZMP representatives met with high-level representatives of the fraternal parties of 48 developing countries on 110 occasions. On one or more occasions, they had talks with representatives of the fraternal parties of Afghanistan, South Africa, Algeria, Angola, Argentina, Bahrain, Bangladesh, Bolivia, Brazil, Chile, Costa Rica, [Commonwealth of] Dominicá, Ecuador, Ethiopia, the Philippines, Guatemala, Guyana, Haiti, Honduras, India, Indonesia, Iraq, Iran, South Yemen, Jordan, Colombia, Congo, Lebanon, Madagascar, Morocco, Martinique, Mexico, Mozambique, Nicaragua, Nigeria, Palestine, Paraguay, Peru, El Salvador, Sri Lanka, Saudi Arabia, Syria, Sudan, Tanzania, Tunisia, Uruguay, and Venezuela. Our delegations participated in the congresses of the fraternal parties of Ethiopia, India, Israel, Colombia, Congo, Madagascar, Morocco, Mexico, Mozambique, and Venezuela.

Our Relations With National Liberation Movements and Other Progressive Organizations

Our party has expanded relations and further strengthened solidarity and cooperation with Marxist-Leninist and other progressive, anti-imperialist parties of the developing world, and with liberation movements struggling for the creation and consolidation of national independence, elimination of colonial heritages, and the ascendancy of their peoples.

In the past 5 years, on a total of 44 occasions representatives of our party had talks with representatives of the following parties and movements: the Algerian National Liberation Front (FLN), the People's Revolutionary Party of Benin, the Guinea-Bissau Independence Party, the South-West African People's Organization, the New Jewel Movement of Grenada, the Democratic Party of Guinea, the Arab Ba'ath Socialist Party of Iraq, the People's National Party of Jamaica, the PLO, the Farabundo Marti National Liberation Front of El Salvador, the Independence and Labor Party of Senegal, the Arab Socialist Renaissance Party of Syria, the Revolutionary Party of Tanzania, the Socialist Constitutional (Destourian) Party of Tunisia, the United National Independence Party of Zambia, and the African National Union -- Patriotic Front of Zimbabwe.

MSZMP delegations participated on two occasions in sessions of the Palestinian National Council.

Relations With Socialist, Social Democratic and Other Parties

The MSZMP's relations with socialist and social democratic parties continued to broaden. During the period, we conducted talks with representatives of the Belgian Socialist Party, the British Labor Party, the Chilean Socialist Party, the Danish Social Democratic Party, the Finnish Social Democratic Party, the French Socialist Party, the Greek Panhellenic Socialist Movement, the Labor Party of the Netherlands, the Japanese Socialist Party, the Socialist Workers Party of Luxembourg, the Malta Labor Party, the SPD, the Labor Party of Norway, the Italian Socialist Workers Party, the Italian Social Democratic Party, the Austrian Socialist Party, the Spanish Socialist Workers Party, and the Swedish Social Democratic Labor Party. Delegates of our party participated in the congresses of the British Labor Party, the French Socialist Party, the SPD, the Italian Socialist Party, the Greek Panhellenic Socialist Movement, and the Spanish Socialist Workers Party. Occasionally, the MSZMP also exchanged views with other parties interested in preserving peace and conducting a dialogue. We had talks with leading figures of the Finnish Center Party, the French Rally for the Republic and Union for French Democracy, the Democrats 1966 of the Netherlands, the Christian Democratic Union of the Netherlands, the People's Party for Freedom and Democracy of the Netherlands, the Institutional Revolutionary Party of Mexico, the Christian Democratic Union and Free Democratic Party of the FRG, and the Austrian People's Party.

III. Social Development

1. Population, Structure of Classes, and Strata of Society

The country's population, owing to a decline in the number of births and an increased death rate, decreased from 10,710,000 in 1980 to 10,658,000 by 1 January 1985. (Between 1980 and 1984, the number of live births decreased from 149,000 to 125,000 annually, while the number of deaths increased from 145,000 to 146,000 annually.)

For quite some time, the continuously low level of fertility has not maintained the population level; there has even begun to be a decline in the overall population.

Numerous factors and circumstances had a restraining effect on people's decisions to have children. The annual number of terminated marriages already exceeds the number of marriages by 18,000-24,000. (27,000-29,000 marriages are terminated annually because of divorce and approximately 70,000 because of death.) The number of remarriages is lower. Intensified economic activity and higher school requirements have changed young women's aspirations as far as their lifestyles are concerned. The actual period of fertility has become shorter; at present, most women bear children between 20 and 30 years of age. The desire to have children is also curtailed by families' endeavors to preserve their standard of living and boost their consumption, by the temporary reduction in the real value of allowances connected with raising children, and by housing problems.

At the same time, obstetrical care prerequisites and standards improved and, in general, the number of surgical abortions and infant mortality decreased. However, the mortality rate of the overall population developed unfavorably in the long term. The increase in the number of deaths is particularly conspicuous with regard to men between 50 and 60. In this a role is played by, among other things, the unsatisfactory hygiene standards, the spreading of habits harmful to health (alcohol consumption, smoking, unhealthy diets, lack of exercise), and shortcomings in diagnostic and curative treatment for illnesses that most frequently result in death, such as cardiovascular diseases and cancer.

Although to a lesser extent than previously, the flow of people from villages to cities, and particularly to the capital, continued. The number of city residents has also increased as a consequence of giving some large villages the status of cities. At the beginning of 1980, 53 percent of the population lived in cities; at the beginning of 1985 it was 56 percent. The number of residents in Budapest has increased by only 13,000.

On 1 January 1985, active earners accounted for 46.2 percent of the country's population; those with unearned incomes (old-age pensioners, annuitants, women receiving child care allowances), 22.9 percent; and dependents, 30.9 percent. In the past 4 years, the number of active earners decreased by 95,000 and that of dependents by 155,000, while the number of those with unearned income increased by 193,000. The decline in the number of active earners is connected with the fact that increasingly fewer people who reach the pensionable age limit wish to continue their previous work and the age groups beginning work do not make up for the decrease arising from retirement and death. Of those with unearned incomes, the number of pensioners and annuitants has continued to increase while, because of the decline in the number of births, the number of women receiving child care allowances has decreased.

At the beginning of 1985, 2,731,000 people, 55.5 percent of the active earners, belonged to the workers class, fewer than in 1980. The decrease was a significant one with regard to workers engaged in areas of work that do not require special qualifications. The proportion of skilled workers increased from 44 to 46 percent.

The numbers and proportions of the cooperative peasantry did not continue to diminish after 1980 as they had before. Members and employees working at producer cooperatives number 679,000, 13.8 percent of the active earners. Since 1980, the number of manual workers in agricultural cooperatives who perform truly agricultural activity has considerably decreased (by 60,000), while the number of those who work in industrial, construction industry, commercial, and other nonagricultural areas has increased by 78,000 and their proportion among manual cooperative workers has increased to 49 percent.

The number of people with white-collar occupations has continued to climb moderately, they accounted for 26.5 percent of the active earners at the beginning of 1985. The increase has been among the intelligentsia; the number of technical employees and administrative workers has not changed appreciably.

The number of small-scale commodity producers and tradesmen has increased somewhat, but their proportion remains insignificant (4.2 percent of active earners).

The proportion of mixed families and households of worker-white collar worker and worker-cooperative peasant composition has further increased. The latter development results from the fact that 46 percent of the members of the workers class live in villages.

The school qualifications of the population continued to improve. In 1980, two-thirds, and in 1984, 72 percent of people 15 years of age and older had obtained at least general school qualifications. Of people 18 years of age and older, the proportion of those with secondary school or higher qualifications is 27 percent (as compared with 23 percent in 1980). Of people 25 years of age and older, 7 percent had high-level qualifications in 1980 and 8 percent in 1984.

At present, 13 percent of those belonging to the workers class and 5 percent of the cooperative peasantry have secondary school or higher qualifications and an additional 32 and 21 percent, respectively, have obtained skilled-worker training school or vocational school qualifications.

State measures and social assistance, as well as their own efforts, have brought a perceptible change in the position of the gypsy population, which numbers approximately 380,000 people. Almost all the men and some 50 percent of the women are employed. Almost half of the children attend kindergarten. General school is completed by 50 percent of those of mandatory school age. The number of gypsies living in colonies has decreased from 81,000 to 30,000 in the past 5 years.

2. The Position of Women and Young People

At the beginning of 1985, 5,508,000 women lived in the country; they make up 51.4 percent of the population.

Of the active workers, the proportion of women was 45.5 at the beginning of 1985, somewhat greater than in 1980 (44.8 percent). Of the women of employable age, more than 80 percent are employed, 8 percent are receiving child care allowances, and 7 percent are students.

The increase in the proportion of women with higher school qualifications and better vocational training has continued. In 1980, 62 percent of the women 15 years of age and older had completed eight grades of general schooling or obtained higher school qualifications, while in 1984 the figure was 68 percent. Of the women 18 years of age and older, more than one-quarter (27 percent) had completed at least secondary school and an additional 7 percent had completed skilled-workers training school or vocational school (as against 22 and 6 percent, respectively, in 1980). Of the women 25 years of age and older, the rate of those with higher level qualifications has increased from 5 to 6 percent.

Approximately 2.2 million people are in the 15-29 age group. Their ratio within the population decreased from 22 to 20.8 percent between 1980 and 1984. In the period between the two congresses, the rate of those who have completed eight grades of general school or obtained higher qualifications has increased from 94 to 95 percent in the 15-19 age group and from 95 to 96 percent in the 20-24 age group. The rate of those who graduated from secondary school or obtained higher school qualifications has increased from 36 to 40 percent in the 20-24 age group and from 37 to 39 percent in the 25-29 age group. (In addition, another 35 and 32 percent, respectively, of young people belonging to these age groups have skilled worker-training school or vocational school qualifications.) The rate of those with university level qualifications in the 25-29 age group has increased from 10 to 12 percent.

Of the young people beginning work for the first time, almost 60 percent have high school level and more than 11 percent university level qualifications. Approximately one-third of them, including those who have graduated from secondary school, have no vocational qualifications. In general, employment of those beginning their careers has been taken care of, most of them find jobs which correspond to their training and realistic individual ideas. The number of jobs offered exceeds the number of those seeking jobs by approximately 30 percent. However, it is a problem that only 22-23 percent of the jobs offered for those beginning their careers are white-collar jobs, while at least 33 percent of all young people are seeking white-collar employment. Employment opportunities vary according to region. Above all, there are not enough jobs for young people in the northeastern region of the country, so that some of those beginning their careers are forced to commute or choose positions that are not commensurate with their qualifications or intentions.

3. The Social Organizations and Movements

The Trade Unions

Some 4,399,000 or 96.5 percent of the wage and salary earners are organized workers. There are 19 vocational trade unions in operation. There are 7,879 basic organizations. There are 623,000 elected functionaries working in the stewards' bodies, trade union committees, and trade union groups of enterprises, and institutional basic organizations. Of these, 51 percent are women and 49 percent workers [sic]. The rate of party members among members and functionaries of the elected leading bodies of the trade union movement is 22.7 percent.

In the 1983-84 school year, there were 825,309 people receiving trade union training. At present, there are 269 trade union cultural centers and cultural houses and 5,201 trade union libraries for working people. The trade unions promote, organize, and materially support the further education of talented children of workers, the training of skilled workers, university and college study for young skilled workers, formal schooling of adults, advanced vocational training, and training for multiple trades.

In the trade union movement some 130,000 social activists work to protect the interests of the workers. The trade union legal aid service, which operates and has become institutional, at 2,313 enterprises and institutes, provides aid to 180,000-190,000 working people annually.

The Hungarian trade unions maintain regular contacts with 145 organizations in 118 countries. They actively participate in the struggle of the working people of the world for peace, social progress, better living and working conditions, and socialism. They promote and foster cooperation and united action among trade unions of diverse orientations.

As a result of their work, they were able to act with initiative and earned recognition in the international trade union movement. The Hungarian trade union representative holds the post of WFTU president.

The KISZ

The 913,000 members of the youth league pursue their activity in 34,000 basic organizations. The percentage of our youth organized in KISZ has risen somewhat in comparison with previous years, amounting to 38.8 percent at present. Young workers account for 26.6 percent, skilled worker trainees and secondary school students for 71.8 percent, and university and college students for 65.8 percent of the KISZ membership. [figures as published] Some 47.7 percent of KISZ members are women. The rate of working young people in the league is 58.4 percent. More than half of the working members of KISZ perform manual work. Of the membership, 36.6 percent attend vocational training schools and secondary schools and 5 percent universities and colleges.

The number of party members working in the youth league has increased from 75,000 in 1980 to more than 80,000. The percentage of party members among the KISZ members is 9.9 percent. A KISZ basic organization was one of the sponsors of the KISZ members admitted to the party; more than 45 percent of them are workers.

Thirty percent of the secretaries and 25-30 percent of the members of the leading bodies of the KISZ basic organizations fluctuate annually, which can be regarded as natural if we consider that more than 40 percent of the KISZ basic organizations work in the student sphere. Of the KISZ basic organizations' leaders, more than 15 percent have been holding their posts for 3 years or longer.

More than half of the working KISZ members, 250,000 of them, have joined the socialist brigade movement. Of the students, 40 percent participate in study drives and competitions.

Sixty-one percent of the membership participates in KISZ-organized political training annually. Of the students of medium-level educational institutes, 11,000 attended the recently constituted Marxist student academy in 1984. Approximately 37,000 KISZ leaders participated in various forms of leader training. We enroll almost 60,000 KISZ members in party tuition annually.

The KISZ maintains contacts with almost 220 youth and student organizations in 110 countries. It assumed an active role in the activity of the WFDY and the International Student Union, and a KISZ representative holds the post of WFDY secretary general. Budapest and county KISZ committees have developed fraternal relations with the corresponding regional organs of the youth leagues of seven socialist countries.

The Hungarian Pioneers' Association

The complement of the members of the Pioneers Association (together with supporting members) comes close to 1 and 1/2 million. Of students, between 6 and 14 years of age, 98.1 percent are members of the Pioneers Association. The activity of small drummers and Pioneer communities is aided by almost 102,000 Pioneer leaders -- including 26,300 young leaders -- and 117,000 supporting members. Of the Pioneer troop leaders, 41.1 percent are party members and 35.3 percent KISZ members. The troops have developed relations with 7,300 KISZ organizations, 2,980 plants and cooperatives, and 14,400 socialist brigades.

The PPF

In our country, 5,009 People's Front committees are operating with 97,000 elected members. Of the members, the proportion of workers is 34.6 percent, of peasants, 11 percent, of women, 37.3 percent, and of young people, 23.6 percent. The members of committees include 35.5 percent party members.

With its organization of social debates and vocational forums, the People's Front movement is an important factor in public life. Its leading bodies participated in the shaping of fundamental sociopolitical and economic decisions -- long-term sociopolitical concepts and the new electoral law, among other things.

In addition to their work connected with the development of settlements, environmental protection, and getting to know the countryside, the regional and local committees of the People's Front movement have devoted more attention to safeguarding the interests of consumers and improving the living conditions of families.

The work of the movement has been enriched by some important new institutions. The National Council of Consumers has been established and, subsequently, local councils of consumers have been continuously set up. The National Council for Family Protection and the Forum of Enterprise Managers have begun to operate.

Cooperation between the People's Front committees and the councils has become systematic and council members' reports, village meetings, and city and area conferences have become more substantive. The cooperation of the People's Front committees and councils contributed to the fact that social work valued at 35 billion forints was done in the past 4 years. Local PPF committees organized the election of house tenants and street committees and helped them in their operation. To improve relations between the schools and society, they devoted appropriate attention to work collectives of parents.

The PPF maintains a working relationship with 67 foreign organizations.

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The National Peace Council

The National Peace Council pursues its activity in reliance on the peace work of the social organizations and movements and the Hungarian churches. It is constantly in contact with the creative intelligentsia and conducts regular work among youth.

The National Peace Council encouraged and aided local initiatives and the peace acts of smaller communities. These were served by the annually held months of peace and friendship. The international relations of the peace movement have expanded: The National Peace Council cooperates with some 250 peace movement organizations of 130 countries.

The Hungarian Solidarity Committee maintains contacts with 58 partner organizations. In the past 4 years, it received 206 scholarship students and sponsored the treatment of 315 injured or sick people in Hungary.

The National Council of Hungarian Women

The National Council of Hungarian Women, in cooperation with the party, the government, and the social organs, contributes to insuring that the emancipation of women becomes as complete as possible in work, the family, and public life. It participates in drawing up and updating laws and legal decrees that affect women and the family.

It regularly published studies that represent the social position of women and books on pedagogical, legal, and health-educational topics.

The National Council of Hungarian Women maintains contacts with 110 countries' women's organizations and represents Hungarian women at international forums and UN specialized agencies.

The Hungarian National Defense Association

The activity of the 4,101 clubs and 7,044 sections of the association extends to almost every settlement and to the more significant plants in our country. The association has 292,000 members and supporting members.

Hungarian National Defense Association clubs and sections operate in 83 percent of the high-level educational institutes and 83 percent of the medium-level and skilled-worker training schools.

Organs of the Hungarian National Defense Association provide personnel, material, and technical assistance for the teaching of national defense subjects conducted at educational institutes. Beginning with the 1982-83 school year, within the technical subject framework introduced at the general schools, approximately 105,000 students began receiving schooling in basic model-building.

Annually, some 100,000 people participate in preliminary and supplementary national defense training, of whom 20,700 are trained at special national defense sections as drivers, frogmen, signalers, pilots, parachutists, and model-builders.

The sports events staged by the Hungarian National Defense Association, which well serve national defense preliminary training and the attainment of the objectives of the "For fit youth" movement, enjoy general popularity. Hundreds of thousands of young people participate in these competitions every year. In many branches of sport the Hungarian National Defense Association has trained sportsmen who are in the world vanguard.

The Hungarian Red Cross

In 13,711 of its basic organizations there are 1,223,000 active members. The number of basic organizations has increased by seven, and its membership by 10 percent.

Annually it staged 57,000-59,000 lectures on healthy living, and in 5 years more than 1 million people participated in its courses.

Annually it organizes over 600,000 voluntary blood donations.

The Hungarian Red Cross pursues extensive social activity. To an increasing degree it supports families and individuals who, for various reasons, are in a disadvantageous position. It organizes annual holidays for children and young people whose health has been harmed. In the past 5 years, its supporting members donated 73 million forints for its various drives.

It actively participates in the work of a league encompassing 132 countries. One of its representatives fills a leading position in the Permanent Committee of the International Red Cross. It channeled aid valued at 106 million forints to 44 countries on 111 occasions to support victims of natural catastrophes and armed conflicts.

In 1981, on the 100th anniversary of its establishment, the Presidential Council bestowed the Red Banner Order of Labor on the organization.

The Hungarian-Soviet Friendship Society

The Hungarian-Soviet Friendship Society contributes to the intensification of Hungarian-Soviet friendship by political and cultural events, regular exchanges of delegations, the organizing of exhibitions, contests, and competitions, the running of friendship trains, and the staging of forums and lectures. Of its 1,781 groups of members, 851 operate in the industrial sphere, 331 in the agricultural sphere, 179 in the institutional sphere, and 420 in the educational sphere. Some 491 groups of members are in the capital and 1,290 in the provinces. In the last 5 years, the number of groups of members has increased by 221, almost half of which are educational institutions.

Teaching the Russian language is an important part of the society's activity. In the last 5 years, 25,340 people (15,126 adults and 10,214 students) have learned the Russian language at the Gorki language schools in Budapest and the provinces. Intensive language courses were attended by 1,730 people and Russian language summer camps by 2,000 general and secondary school students. Almost 63,000 general and secondary school students entered Russian-language school contests.

The Hungarian-Soviet Friendship Society closely cooperates with the Association of Soviet Friendship Societies and the Soviet-Hungarian Friendship Society.

The Association of Hungarian Resistance Fighters and Antifascists

On 1 January 1982, the Partisans Association was converted into the Association of Hungarian Resistance Fighters and Antifascists. In addition to the 1917-19 internationalists, the reorganized association can admit veterans of the antifascist battles in Spain; partisans, resistance fighters, and antifascists of the World War II era; members of the Hungarian units that belonged to the Soviet Army; former antifascist students; those members of the former middle-class resistance groups who pursued their activity in the Hungarian Front; and members of the volunteer democratic army in the first and sixth divisions that advanced with Soviet troops to the operational area in Austria.

The association's membership has reached 6,000, of whom 2,400 possess the Order of Merit for the Socialist Fatherland. Some 1,300 of them have participated in armed combat.

The association researches the history of the resistance, partisan, and antifascist movements. The association's members also actively participate in the patriotic and internationalist education of youth.

The Associations of Nationalities

The total population of the nationality groups in our country numbers approximately 300,000 people.

The nationality groups -- southern Slavs, Germans, Romanians, and Slovaks -- are represented by national social organizations. They pursue their activities, on the basis of MSZMP policy, within the framework of the PPF, and in cooperation with state and social organs. At the end of 1983, at their latest congresses, they reviewed the results in preserving their mother languages, in cultivating their specific national cultures, and in political work conducted among the nationality population. The teaching of mother languages extends from kindergarten until secondary school at some 500 educational institutes. Operation of the 500 cultural groups and the language cultivation movement and the dissemination of knowledge in mother languages has become brisker, book publishing activity has intensified, press organs in the nationalities' languages are being continuously published, and radio and television broadcast programs in the four nationality languages. The use of inscriptions in two or more languages in places inhabited by the nationalities is becoming universal.

The nationality associations successfully represent the specific interests, requirements, and aspirations of their nationalities. In addition to participation in building the common fatherland, socialist Hungary, there is a need and opportunity to develop friendship and multifaceted cultural cooperation with the peoples of the countries that speak the same mother language.

The World Hungarian Association

In the period between the two congresses, it continued to expand its relations with representatives of the approximately 1 and 1/2 million scattered Hungarians who live in the capitalist world. On average, 180,000 of them have visited Hungary annually. The association cooperates with approximately 160 Hungarian clubs, parishes, and cultural groups in West Europe and overseas to help them preserve and cultivate their awareness of being Hungarian. The mother language movement has expanded; approximately 500 young Hungarians born abroad annually participate in the association's educational and other cultural events. Approximately 150 foreign students of Hungarian descent study at the country's high-level educational institutes. Relations with Hungarian intellectual circles living in the West have become more substantive; there are regular vocational meetings staged with their participation, as well as publications and exhibitions presenting their work and creations.

The Society for the Propagation of Scientific Knowledge

The society extensively propagates knowledge among workers, peasants, and intellectuals; at the same time, it fulfills its role as one of the intellectual workshops of the creative intelligentsia. The society had 24,000 members in 1980 and 30,736 in 1984. In 1980, 124,047 lectures, attended by 5.3 million people, were held. The 155,110 lectures held in 1984 were attended by 7.2 million people. Some 113,000 people participated in courses in 1980 and 109,000 in 1984. Some 49,000 students studied foreign languages in 1980 and 57,000 in 1984. Open university courses were attended by 216,000 students in 1980 and 239,000 in 1984.

In 1980, 2,809 students participated in the summer universities organized by the society. In 1984 the number was 3,018. They represented 30 countries in 1980 and 38 countries in 1984.

The Federation of Technical and Natural Science Societies

On the basis of a 1983 decision of the Presidential Council, the federation is a social mass organization based on voluntary association of the vocational societies, unions, and partnerships belonging to its domain. Some 32 affiliated technical, agricultural, and natural science societies operate within the framework of the federation. Since the 12th congress, the number of the societies' members has increased from 155,000 to 170,000. The affiliated societies and local organizations of the federation conduct their activity in 1,200 institutions and economic organs.

The federation promoted technical development activity and the practical application of its results. In order to improve conditions for creative technical work, it also fulfills tasks in relaying and safeguarding interests. With its views and proposals, it contributed to laying the groundwork for decisions of the government and regional organs. The societies and vocational committees held an average of 22,000 vocational programs annually. The Federation of Technical and National Science Societies and its affiliated societies maintain regular vocational relations with 120 international organizations and are affiliated with 78 international organizations. They stage, with international participation, an average of 100 conferences and congresses annually.

Labor Movements

The great majority of the working people have made work pledges in honor of the 13th MSZMP Congress and the 40th anniversary of our country's liberation.

More than 1.6 million workers, agricultural working people, and intellectuals are active in the 132,000 socialist and work brigades. (The brigades numbered 147,000 and their members 1.7 million in 1980.) The sixth national conference of brigade leaders, which set the direction for further development of the movement, was of outstanding significance.

On the average, some 215,000 working people annually participate in the innovation and invention movement. The annual average economic results of the 69,000 innovations and inventions introduced per year amount to 9.4 billion forints. Beyond economic results, the inventions and innovations introduced have helped create safer working conditions and have helped reduce environmental illnesses.

Social work performed in caring for dwelling areas and developing communities is valued, on average, at 10 billion forints annually.

The Cooperative Movement

As economic organizations, the cooperatives are fulfilling a significant role in the people's economy. In 1984, more than one-quarter of the active earners -- 1.2 million people -- worked in cooperatives, and 23 percent of the national income was produced there. In addition, the cooperative movement gathers together, regardless of work-place, a broad sphere of the population for the accomplishment of important social and economic-political objectives.

There were 842,000 members of agricultural producer cooperatives in 1984. Of these, 448,000 are of an active age and 394,000 are old-age pensioners and annuitants. Membership has declined in recent years. Producer cooperatives had 196,000 employees in 1984. The vocational cooperatives operate with 44,000 members (of which 26,000 are active).

The associations of cooperatives employ 36,000 people and the vocational groups of cooperatives employ 22,000 members and employees.

The industry and industrial construction cooperatives employed 225,000 members and 45,000 employees in 1984. Cooperative membership has decreased in the last 5 years, while the number of employees has not changed significantly.

There were 1.6 million members of consumer and marketing cooperatives in 1984 and they employed 128,000 people. The savings cooperatives encompassed 1.7 million and the housing cooperatives 313,000 members. At the beginning of 1984, the number of the working people of cooperatives performing consumer services amounted to some 60,000. In 1984, an additional number of approximately 33,000 worked at the joint enterprises of consumer cooperatives. In 1984, 2,460 agricultural vocational groups operated in the sphere of general consumer and marketing cooperatives, with approximately 180,000 members.

In 1983 -- on the basis of the value produced -- the ratio of the cooperatives and their associations was 6 percent in industry, 9 percent in the construction industry, and 69 percent in agriculture. The collective farms and household plots of the cooperatives use 82 percent of the plowland and 30 percent of the retail trade community turnover. One-quarter of the consumer services are performed by cooperatives. The invested sum-total of the savings cooperatives' deposits amounted to 30 billion forints, 13.8 percent of the overall savings accounts deposited by the population.

The regional and national organs that represent the cooperatives' interests contributed, according to their purpose, to coordination of the interests of the cooperatives and society, improvement of the cooperatives' economic activity, and development of the democracy of cooperative life.

The fact that representatives of our country's cooperative movement fill significant elected functions in the International Federation of Cooperatives is a tribute to Hungarian cooperative policy and cooperative practice.

IV. Representation of the People, Public Administration, the Armed Forces and Bodies, Legality

1. National Assembly Deputies and Council Members

At the time of the elections of national deputies and council members on 8 June 1980, a total of 7,809,407 enfranchised citizens were placed on the electoral register. (There were approximately 49,000 more entitled to vote than in 1975.)

Voter turnout was 97 percent. Of those who voted 99.3 percent cast their votes for deputy candidates and 99.2 for local council member candidates. In addition, the 59,270 local council members elected the 1,959 Budapest and county council members.

The Proportion of Party Members, Women and Young People Among the Deputies

	In 1975		In 1980	
	Number	Percent	Number	Percent
Party members	245	69.6	252	71.6
Women	101	28.7	106	30.1
Those under 30	37	10.5	44	12.5

The Composition of the National Assembly According to Present Occupation

	In 1975		In 1980	
	Number	Percent	Number	Percent
Members of the workers class	67	19.1	83	23.6
Members of the cooperative peasantry	14	4.0	18	5.1
White-collar workers	256	72.6	225	63.9
Old-age pensioners	15	4.3	26	7.4
Total	352	100.0	352	100.0

Of the council members, 34.6 percent have a manual occupation or are directly in charge of production, and 16.2 percent are agricultural producer cooperative members and agricultural workers. Some 47.3 percent of council members are party members, 33.8 percent are women, and 19.3 percent are people under 30.

2. The National Assembly

The National Assembly has enacted 18 laws, on, among other things, the Sixth 5-Year Plan for the people's economy, the election of National Assembly deputies and council members, the Constitutional Law Council, and the prohibition of dishonest economic activity. It has modified the constitution, as well as laws on national defense, general rules of state administrative procedure, and people's supervision. It has designated the general course of government activity and debated a report on this by the chairman of the Council of Ministers. Acting in its supervisory role it has discussed an additional 19 reports in which members of the government and leaders of organs with a national sphere of authority reported on the implementation of laws and government measures and the position of individual sectors. The chairmen of the Presidential Council and the Supreme Court and the supreme public prosecutor also gave an account of their work.

It is indicative of its increasing influence on government work that the National Assembly has approved several fairly long-term concepts pertaining to certain sectors (transportation, water management, and the development of public and high-level education, for instance). It has defined in a resolution tasks connected with the further development of legislation.

The National Assembly has adopted a position on the issue of world peace, as well as against the deployment of intermediate-range missiles in West Europe.

As part of their preparatory and supervisory activity, its permanent committees held 269 meetings and discussed 361 agenda points.

3. The Presidential Council

The Presidential Council continuously fulfilled its constitutional tasks. With the 152 decrees of legal force it has issued, it successfully encouraged development of state democracy, intensification of the efficiency of economic macromanagement, the expansion of civic rights, and the extension and development of our country's international relations.

The new statutory provisions on promulgation of the law on general rules of state administrative procedure, as well as on updating the organization of certain state organs and the regulation of council spheres of authority, constitute an important prerequisite for the development of state life and state administration. The central management and operation of economic life were facilitated by the decrees on business work partnership [GMK's], bonds, and the operation of cooperatives, as well as by the legal modifications concerning small-scale industry, state enterprises, the protection of land used for agricultural purposes, and the protection of patented inventions.

A large part of the population is affected by decrees of legal force such as the laws on social insurance; the registers of births, marriages, and deaths; marriage procedures; the adoption of names; foreign travel; passports; associations; and the legal regulations pertaining to the modification of the labor code.

Of the decrees enacted by the Presidential Council, 66 are related to our international agreements. Thus, international treaties have become a part of our domestic legal system, such as, for instance, the decrees on promulgation of the convenant of the International Monetary Fund and the agreement adopted on elimination of any form of discrimination against women.

4. The Council of Ministers

The Council of Ministers conducted its activity in accordance with the program approved by the National Assembly. In pursuance of this, it passed 423 decrees and resolutions and made numerous proposals toward the elaboration of laws and decrees. The Council of Ministers pursued an active and multifaceted foreign policy activity. It participated successfully and with initiative in the work of CEMA.

The Council of Ministers dealt extensively with the development of enterprise and cooperative management efficiency and the further consolidation of state discipline. Of its decrees and resolutions, those that served further development of the economic macromanagement system and that were devoted to updating the regulation and organizational systems and to modifying conditions of economic management are of particular importance. In a resolution, the Council of Ministers regulated tasks of enterprise management activity and the organizational system and certain issues of workplace democracy. It passed a decree on the founding and operation of subsidiary firms of enterprises, the state enterprise supervisory committees, the establishment and operation of business work partnerships [GMK's], the leasing and operation of industrial and service units, the order of investments, market supervision, price regulation, the circulation of money, bank credits, and the regulation of incomes. It regulated the cooperatives' sphere of economic activity, the mutual support fund of cooperatives, the cooperatives' right to found subsidiaries, and the operation of small cooperatives and specialized industrial and service cooperative groups.

The Council of Ministers took numerous measures to improve the living conditions of the working people. It approved programs on the further development of housing management, health and social care, and education, and passed a resolution concerning demographic policy tasks. Aiming at sociopolitical objectives, it raised, among other things, certain pensions and modified the regulations concerning child care grants and family allowances.

The Council of Ministers updated the system and direction of the central state administrative organs. Parallel with the discontinuation and reorganization of certain ministries, it regulated, among other things, the tasks of the State Office for Wages and Labor and the Hungarian Post, and it redefined the spheres of authority of the State Planning Committee and the Economic Committee. It reduced the number of committees operating alongside the central organs and attended to development of a new organizational system for state direction of labor protection and social insurance.

The Council of Ministers requires the executive committees of the municipal council and county councils to present regular reports on their work.

5. The Councils

Taken on the whole, the councils are operating in accordance with their purpose. Council bodies conduct their activity according to plan and hold their meetings with the frequency specified by law.

The great majority of council members are responsibly striving to fulfill their obligations. Some 1 million citizens participate in the events at which council members render accounts and the village meetings staged annually in every village.

The councils have become increasingly independent and responsible custodians of their areas. All the low-level educational institutions, 80 percent of the hospital beds, 86 percent of the infant day-home facilities, 93 percent of the kindergarten places, 94 percent of the socialist establishments, and the bulk of the cultural centers and houses operate under their direction and supervision. Owing to a further decentralization of spheres of authority, with the exception of a few specific cases, citizens can settle all their affairs at the councils.

The organizational, technical, and procedural updating of the councils' administrative activity continued. As a result, approximately 500,000 fewer resolutions were issued compared with the previous 2 million. Only 2 percent of the resolutions are appealed by the parties involved.

There are 1,527 councils. The 2,957 village settlements are covered by 703 joint and 674 independent councils. Within the framework of the further development of local party and state direction, the district party committees and district offices were eliminated 1 January 1984. Some 139 city environs areas [as published] were created, and this has made administrative relations between neighboring cities and villages complete in every area. In county direction of village councils, 105 city and 34 city-rank large village councils cooperate. In addition to the latter, a further 32 large village councils come directly under the county councils. The complement of the apparatus has been reduced by more than 1,000.

6. People's Supervision

The number of people's supervisory committees operating in the country has increased to 146. There are more than 35,000 people's supervisors. They carried out an average of 2,400 investigations annually. The reduced number of inspections carried out contributed, among other things, to an improvement in the standard of work. An increasing number of petitions are being received by the central and regional organs. The average number of notifications and complaints is 8,000 annually.

The people's supervisory organs examined, among other things, the position on the development of factory democracy, the improvement of prerequisites for general school tuition, provision of an infrastructure for the Lake Balaton area, administration of public affairs, energy management, rational use of materials, and main export ventures.

In almost 10,000 cases annually, after their investigation, the people's supervisory committees addressed appeals to the organs they had investigated and the organs responsible for supervising them. The overwhelming majority of these were aimed at restoring the legal state of affairs, while disciplinary, indemnification, regulation contravention, and criminal proceedings and, in some cases, economic fines, were also initiated.

7. The Armed Forces and Bodies

The Hungarian People's Army

Our country's defensive capability developed according to requirements in harmony with that of the Warsaw Pact countries. The political and moral state of the People's Army constituted a sure foundation for the accomplishment of tasks. Fundamentally positive trends asserted themselves in discipline. Order and organization characterized the life of the troops. The preparedness of officers and noncommissioned officers developed.

Military service of 18 months was introduced. Training became more intensive, the troops' standard of preparedness rose. Combat-preparedness is of a high order. Modernization of the mobilization system was completed. Civil defense developed, relations with the fraternal armies strengthened and friendship-in-arms with the Soviet Army became even closer.

Commands, staffs, and troops of the People's Army successfully participated in some 35 leadership and troop exercises of an operational-tactical nature. These exercises were held at home and abroad within the framework of the Warsaw Pact. The reserves called in for the exercises and retraining accomplished their required tasks.

Some 85-90 percent of the personnel participated in the socialist competition movement of the People's Army and 55-60 percent of the personnel fulfilled requirements. For the first time in the history of the People's Army, entire higher units gained the titles of "vanguard" and "outstanding."

In addition to training, the People's Army participated in implementing priority investment projects of the people's economy, carrying out work valued at an average of 5.3 billion forints annually. It also took part in the autumn harvest chores, putting in almost 510,000 working days, and built and overhauled military installations to the value of 1.2 billion forints. As a result, the living and working conditions of the personnel and conditions for maintaining military technology in operational order improved.

On an annual average, 1,300 soldiers have completed their studies in some grade of general school during the time of their conscript service and some 1,000 have, in 17 trades, obtained skills that can be put to good use in civilian life as well.

The Home Affairs Organs

Amid domestic and international conditions that have become more complex, in the interests of maintaining and improving public safety, the home affairs organs performed their work smoothly, in conformity with their purpose. To intensify work efficiency, they simplified and decentralized problem solving. The organization of the police was modified in accordance with the new public administration units that came about with the abolition of the districts. As a result of a modernization of inspection duty and other measures, the home affairs organs' ability to take action at all times has improved. By regrouping personnel, the executive service was strengthened, while at the same time, the ratio of public area service was increased and, to maintain constant supervision over public areas, action units were formed. In Budapest, the economic surveillance unit went into operation. Our cooperation with Interpol facilitates the international prosecution of criminal acts in violation of common law. Police proceedings for infringements of regulations were initiated in 210,000-232,000 cases annually. The police organs imposed fines on more than 1 million people at the scene of the infringement of regulations.

Additional measures have been taken to improve and speed up the conduct of the affairs of the population with regard to, among other things, the registration of addresses, the issuance of good character certificates by the authorities, and traffic control. In the course of reducing the different types of passports, uniform passports for the population were introduced.

Controlling the increasing vehicle traffic and retaining the safety of communications demanded great efforts from the home affairs organs. The traffic safety councils based on broad social collaboration considerably helped their work. Compared with 1980, the number of public road accidents involving personal injury did not essentially change. In 1984, 1,590 people lost their lives on the public roads. The revocation of motor vehicle driving licenses was necessary in 20,000-25,000 cases annually.

In close cooperation with the customs and excise police, the Border Guard is successfully fulfilling its tasks in guarding and policing the borders, as well as its tasks arising from tourist traffic, which remains heavy.

Since the 12th congress, 195 million people and 60 million vehicles have passed across the country's borders. The visas issued immediately at the country's borders numbered almost 2 million. In conjunction with other interested organs, new border crossing points have been opened up to speed up border traffic. Several busy border crossing stations have been modernized.

Since 1984, the state, enterprise, and voluntary firemen responded on more than 60,000 occasions to fires and to the consequences of natural disasters and catastrophes. In 5 years they rescued 5,625 people whose lives were in danger. More flexible statutory fire prevention provisions were passed, as were provisions that helped to accelerate construction licensing and to improve safety.

The home affairs organs are assisted in their work by 57,500 voluntary policemen, more than 9,000 voluntary border guards, 62,000 voluntary firemen, 12,800 fire prevention workers, and several thousand Young Guards, traffic pioneers, and traffic safety activists.

The Workers Militia

The Workers Militia is characterized by a good mixture of voluntary and political features and the specific features of a movement and an armed body. The Workers Militia is composed of 72.5 percent workers and peasants, 18.4 percent white collar workers, and 9.1 percent other categories (pensioners, homemakers, freelancers, college students, and small craftsmen and tradesmen). The ratio of women is increasing, and is 4.7 percent at present. Thirty-five percent are under age 35. Some 45.3 percent of the Workers Militia have been fulfilling their voluntary service for over 10 years; 5.2 percent of the complement are founding members.

Some 7-8 percent of the personnel rotate annually according to plan. Of the new Workers Militia more than half are nonparty people, and 41 percent KISZ members. On the basis of the work performed, most of them request admission to the party after 2 or 3 years. Within the complement, the proportion of party members is 79.5 percent, KISZ members 20.5 percent, and trade union members 85.5 percent [numbers as published].

The complement is politically firm and well trained and is prepared to serve and defend socialist society and party policy. The social and professional leadership is well prepared to fulfill the tasks with higher standards.

8. Public Order, Public Safety, and Legality

Public order and public safety are firm in our country. In 1980, 130,000 criminal acts subject to public prosecution were recorded, and in 1984, 157,000 criminal acts.

For years, the types of criminal acts have not significantly changed. Thus, acts against property again comprised 60 percent of overall crime in 1984. Of this, one-third of the acts were against public property and two-thirds private property. The gravity and social danger of some criminal acts have increased. Traffic felonies accounted for 12 percent of all criminal acts committed. In 1984, the courts sentenced 11,545 people for drunk driving and the authorities responsible for enforcing regulations punished 11,924 people. Acts of violence and hooliganism comprised 11 percent and economic crimes 3 percent of the total crimes. The proportion of criminal acts against the state remains scant, most of them continuing to consist of verbal incitement of little significance.

The courts record approximately 90,000 punitive cases annually. Three-quarters of these are subject to public prosecution. In 1984, the courts sentenced 50 percent of the convicted adults to imprisonment without appeal, for crimes committed, 5 percent to reformative-educational work, and 38 percent were fined. Forty-five percent of the prison sentences were suspended for a period of probation.

As before, the number of civil lawsuits averages 180,000 annually. More than half of these are family law proceedings. An average of 21,000 cases are brought before the labor tribunals annually. Economic lawsuits numbered 15,000 in 1984.

The courts annually deal with more than 500,000 inheritance, execution of wills, and other cases without instituting legal proceedings. Approximately 80 percent of the findings become legally binding in the first instance.

In addition to tasks connected with the prosecution of crimes, the public prosecutor departments also attend to 21,000-22,000 civil proceedings annually. Supervisory investigations into hearings of general legality number approximately 3,500 annually.

The number of protest hearings continue to decline, with 4,000-4,500 received annually. The number of appeals on the grounds of legality has also declined -- from the previous 1,800-2,000 to 1,500-1,700 annually.

V. Economic Construction

1. Major Characteristics of the Development of the People's Economy

The people's economy developed in accordance with the economic policy guideline laid down in the 12th congress resolution. Even under the world economic situation, which had become even worse than expected, major objectives are being achieved to a degree approximating that planned.

Economic Growth and Equilibrium

Compared with the preceding years, national income increased by 2.5 percent in 1981, 2.6 percent in 1982, 0.3 percent in 1983, and almost 3 percent in 1984 -- 8.5 percent altogether in the last 4 years. The rate of economic growth was more moderate than determined in the interim term plan, but it matched or surpassed the targets of the annual plans.

The domestic utilization of the national income decreased by somewhat more than 3 percent between 1980 and 1984. The decrease affected accumulation. Consumption increased by 5-6 percent in the last 4 years. Within accumulation, both the investment activity and stock accumulation declined.

The considerable imbalance that had previously developed national income and domestic consumption ceased. The foreign trade balance showed an export surplus in the last 3 years. While imports exceeded exports by 16 billion forints in 1980, exports exceeded imports by 31 billion forints in 1984. In foreign trade cleared in convertible currency, the 1980 liabilities of $15 billion annually became assets of $721 million in 1984. Indebtedness is not increasing; in fact, the volume of debts has decreased somewhat. The country is punctually fulfilling its international payment obligations. Foreign economic equilibrium has improved. In addition to the increase in national income, the improved equilibrium was due to moderated domestic consumption.

The Pattern of Economic Development and Foreign Economic Equilibrium

	National income (1980 equals 100)	Domestic utilization (1980 equals 100)	Export assets (plus) and import liabilities (minus) (in billions of forints)
1980	100.0	100.0	- 15.6
1981	102.5	100.7	- 8.2
1982	105.2	99.6	+ 6.8
1983	105.5	96.9	+ 17.1
1984	108.5	96.6	+ 30.7

The state of the domestic balance developed favorably in some areas -- in the markets of investment goods and manpower -- but the consumer and construction markets did not improve, and temporary disorders were evident in certain areas of cooperative relations among producers as well. Thriftiness increased and the costs of the direction and function of society and the economy decreased. The budget deficit was reduced.

Investments

In 1981-84 the socialist organs allotted 744 billion forints for investment purposes. The volume of investments diminished with each passing year. The population's investments increased and amounted to 135 billion forints in the 1981-84 period, a decisive part of which was used for housing construction.

The considerable decrease in the amount allotted to investments from the national income was only partly offset by the increased amortization. Thus, although investment expenditures decreased to a lesser extent as a whole, compared with the value added to them (net national production, amortization), the proportion decreased constantly and greatly in the last 4 years.

The Volume and Rate of Investments

	Investments in the people's economy at comparable prices (1980 equals 100)	Investments in percentages of the gross domestic product (at current prices)
1980	100.0	28.8
1981	94.9	26.5
1982	92.8	25.2
1983	90.3	24.5
1984	86.4	23.1

Investment purchasing power regularly exceeded the diminishing possibilities resulting from the requirements of the economic balance -- which were originally planned for under the 5-year plan as well -- and, therefore, it had to be continuously kept within limits. In many cases, this was done when it was overdue, considering the material-technical processes that have been set in motion, partly by subsequent withdrawals and partly by increasing the burdens of investments.

Development resources were allotted -- particularly in the last 2 years -- largely to the completion of investment projects already in progress. As a whole, in 1983 and 1984, unfinished investments decreased, but they surpassed annual investment allotments. Finished investment projects of fairly great value took almost 6 months less to complete than in 1981.

Investments by the Socialist Organs (in billion forints, at current prices)

	Total investments	Investments put into service	Mass of unfinished investments at the end of the year
1980	189.7	177.7	193.6
1981	182.8	170.0	198.2
1982	185.7	166.7	214.4
1983	187.9	187.8	204.7
1984	187.8	187.2	197.0

The decline in investments was more marked in the area of state decisions, and particularly in the area of council investments. The proportion of enterprise investments increased. The fact that investments that had previously come under the state became the responsibility of enterprises played a role in this. An increasingly large share of investment-oriented enterprise and cooperative payments for development were financed through their own sources. The sum of these increased 14 percent in the last 4 years. Most of the enterprise investments financed from budget allocations and loan sources were connected with export-expanding development goals and government programs.

The material-technological composition (construction-machine proportion) of the investments in the socialist sector did not basically change. Bearing in mind the fact that in the past period an increasing proportion of investments in housing construction in demand was borne by the general public, the stationary nature of the material-technological composition marks an unfavorable tendency. Development projects and the replacement of machinery where lower costs are involved or where costs can be quickly recouped are still playing a smaller role than required. The considerable reduction in non-ruble account machine imports -- due to our goals as regards our balance -- contributed to this.

There was a decline in investments in all branches of the people's economy. The decline was smaller than average in the production areas and greater than average in the infrastructure branches. In recent years, more emphasis has been placed on the development of energy and basic material production branches in industry, which limited the investment possibilities of the manufacturing industry, especially the machine industry. In the manufacturing industry, development projects enhancing the export capacity, energy rationalization, and material savings were in the forefront.

Thus far in the Sixth 5-Year Plan, several important investment projects have been concluded: Bito II, the Halimba bauxite mines; the Paks Nuclear Power Station Blocs I-II; the Friendship Gas Pipeline (3d phase); the Budapest trash incinerating works; the combined steel mills of the Lenin Metallurgical Works; the converter steel mill of the Duna Iron Works; the catalytic cracking works of the Duna Petroleum Industry Enterprise; the reconstruction of the Hungarian Antifriction Bearing Works; the expansion of the Hungarian Cable Works; the expansion of luminous source production at Tungsram; the polypropylene factory of the Tisza Chemical Combine; the pesticide factory of the Kobanya Pharmaceutical Works; the reconstruction of the Szolnok Paper Mills; the meat processing plant of Szekszard; the construction of the corn-sugar and alcohol factory of Szabadegyhaz, mechanized bakeries and granaries; the construction of the Forum, Novotel, Atrium-Hyatt, Buda-Penta, and Heviz Aqua hotels; one section of the M-1 and M-3 highways, and two sections of the Metro; reconstruction of several hospitals, the Opera House, and the National Szechenyi Library. A considerable partial operation took place at the Markus and Nagyegyhaz coal mines and at the Fengofo bauxite mines.

Several residential areas, stores, and shopping centers were constructed.

The Development of Economic Efficiency

Economic efficiency as a whole increased slightly, but less than possible and required.

The increase in production was secured by the relatively dynamic increase in labor productivity. Per capita production increased by 13 percent in the material branches in 1980-84, and 16 percent in industry. Production per unit of work hours increased to an even greater extent (for instance, by 28 percent in industry).

In the last 4 years, in addition to an 8.5 percent increase in national income, the quantity of exports increased by 28 percent, that is, more than three times the increase in national income. The composition and quality of production improved somewhat, but we were unable to attain a considerable change.

The material demand of production -- the material investment necessary for the production of a product unit -- and specific energy consumption declined, although it is still too high compared to international standards. The import demand of production decreased by some 5 percent.

We did not succeed in advancing in the management of the means of production. The stock of fixed assets increased by 4 percent annually, 1-2 percent quicker than production. The exploitation of the stock of fixed assets was not satisfactory, primarily due to foreign market reasons. The development projects improved the technological level of the stock of fixed assets.

Exploitation of stock declined. The accumulation of stocks in the years 1981-84 made up 3.1 percent of domestic consumption of national income in current prices, and 1.4 percent in comparative prices. This small increase in the stock of assets was favorable on the one hand. However, on the other hand, in addition to the given composition and position of the assets, it caused supply problems at times in certain places.

In the last 4 years, the 15 percent increase in export prices only partially compensated for the 25 percent increase in import prices; as a result, foreign trade deteriorated by 7.5 percent. That means that in 4 years, taking 1980 prices into account, a loss of 47-48 billion forints emerged in trade.

Manpower Management

The decline in the number of active wage earners continued in the Sixth 5-Year Plan period; the decline was 1.9 percent in the years 1981-1985. However, the proportion of active wage earners within the working-age population increased somewhat (from 78.5 percent at the beginning of 1981 to 79 percent at the beginning of 1985). The proportion of students and pensioners capable of work increased. A total of 3.6 percent of the working-age people made use of the child-care allowance. A declining proportion of working-age people, some 5 percent at present, are nonstudent dependents. The overwhelming majority of them cannot engage in socially organized production due to their age, professional training, family limitations, or state of health.

The number of employees in the socialist sector of the people's economy declined by 134,000 in 4 years, from 4,834,000 in 1981 to 4,700,000. At the same time, the number of employees increased by 40,000 in the private sector. The number of employees in the construction industry declined by 11 percent, and in industry by 7 percent. The creation of VGMKS in the recent period cut the reduction in personnel. The number of employees in agriculture and transportation essentially did not change; in the nonmaterial branches, however, it increased by 8 percent.

Service-type employment agencies were created to harmonize manpower demands and availability. Central means can be utilized to support the organized reassigning of manpower and professional retraining. Despite the measures taken, the reassigning of manpower is still slight and enterprises are not sufficiently interested in releasing their manpower. Progress in eliminating less efficient workplaces continues to be insufficient. Since 1980, manpower mobility is characterized by alternating ups and downs. (The number of job changes per annum is around 700,000.) The decisive proportion of job changes continued to be initiated by employees.

Economic Organizations

The modifications in the enterprise organizational system were meant to increase the competitiveness of economic units, to better adjust to market requirements, and to strengthen worker and collective efficiency. To achieve this, several trusts and large enterprises were reorganized, together with the complete or partial independence of the member enterprises and, in certain cases, a combination of the two. The economic results of enterprises that have become independent, with few exceptions have improved. Cooperation among enterprises (associations, joint ventures) has increased, and so has the circle of enterprises engaged in independent foreign trade activity.

New organizational forms, sister enterprises, small enterprises, and small cooperatives have emerged in recent years. At the end of 1984 there were 285 small enterprises, 365 small cooperatives, and 2,300 professional groups of industrial and service cooperatives operating in the country with some 120,000 employees or members.

The number of VGMKs rapidly increased from 1982 onwards. There were more than 17,000 VGMKs operating at the end of 1984 with almost 200,000 members. The 7,300 business work partnerships founded by private individuals employed 39,000 people. The various small ventures contributed to the better fulfillment of requirements.

The number of small artisans increased by 35,000-36,000 people as of 1980, and numbered 139,000 at the end of 1984. One-third of small artisans have a permit for employment, another 11 percent of the pensioners possess work permits. The decisive majority of the small artisans perform services.

Energy Management and Basic and Raw Material Supply

The people's economy's supply of energy and materials, despite more difficult conditions, was fundamentally balanced, with the exception of some slight disruptions.

Energy consumption in the material branches of the people's economy declined by 13 percent in the last 4 years, primarily in agriculture (25 percent), where energy-saving soil cultivation and produce storage methods were applied over an increasingly wide area. In industry, the development of products promoting energy rationalization was prioritized, and thermal insulation improved in housing construction. In transportation, the electrification of the railroads continued and some gasoline-driven trucks were converted to diesel fuel.

In 1981-83, as against the expanding energy usage envisioned under the medium-term plan, the people's economy used a declining amount of energy for its development. Energy use by the population increased slightly. As a result of the economy's increased activity, the unfavorable weather, and the greater requirements of the population and communities, energy utilized by the people's economy increased by 3.9 percent (with specific energy usage also increasing by 1.5 percent).

The composition of energy usage has changed. The role of oil and oil derivatives has declined while natural gas has increased. With the commissioning of Blocs I and II of the Paks nuclear power plant, nuclear energy became a part of the people's economy.

The proportion of domestic energy sources used to satisfy requirements has increased (they covered 48 percent of requirements in 1980 and 51 percent in 1984).

The Development of Energy Usage in the People's Economy

	Gross production (in 1984, in	Direct energy usage terms of 1980	Specific energy usage percentages)
Material branches	109.7	95.7	87.2
of these			
Industry	109.2	98.4	90.1
Construction industry	93.6	81.3	86.9
Agriculture	119.7	91.5	76.4
Transport, telecommunications	105.5	88.3	83.7
The population,			
Communal and other	—	109.2	—
Total	111.2	100.8	90.6

The Composition of Energy Sources (in percentages)

	1975	1980	1984
Coal	36.3	28.8	26.8
Oil, oil derivatives	39.1	37.4	33.8
Natural gas	18.6	26.2	27.1
Nuclear energy	—	—	2.9
Imported electricity	4.5	6.5	8.2
Other (such as firewood, hydroelectric power)	1.5	1.1	1.2
Production and imports together	100.0	100.0	100.0

The material input used per unit of production (the proportion of materials measured at comparative prices) on an annual average decreased by 1 percentage point in most industrial branches. In 4 years, the material-intensiveness of industry as a whole decreased from 73.5 to 71.3 percent, that is, by 2.2 percentage points. Within this, the processing industry played the most significant role (with 5 percentage points) and that of metallurgy declined above the industrial average, while the extraction industry increased its material-intensiveness. The sphere of application of material-conserving technologies expanded. Waste and secondary raw materials are being used more extensively than previously. The increase in production of agricultural raw materials and industry's raw and semifinished materials was instrumental in providing satisfactory supplies. In 1984, 2 percent more materials, semifinished products, and components were imported than in 1980.

Industry

In the 1980-84 period, industrial production (together with the production of small-scale enterprises) increased by 10.3 percent, an annual average of approximately 2.5 percent. Industry produced 46 percent of the national income. State industry accounted for 91 percent of production, cooperative industry for 5.6 percent, private small-scale industry for 1.4 percent, and small-scale enterprises, cooperatives, and VGMK's for 1.3 percent. In recent years, cooperatives and small industries expanded their production at a faster rate than average, so that its proportion in overall production has risen. Industrial activity in branches of the people's economy outside of industry (primarily in agriculture) continued to intensify; it was valued at over 120 billion forints, one-tenth of overall industrial production.

The development of individual industrial branches and vocational sectors has diversified. The dynamics of growth were particularly affected by foreign market opportunities, material supply, energy conservation, and the ability to adapt to changing conditions. Production increases had a lasting effect in the 32 vocational sectors that account for 60 percent of industrial production. This characterizes the majority of the machine and chemical industry sectors. Electricity production and that of aluminum metallurgy and of most food industry sectors increased each year. A long-term decline has been noted in 11 vocational sectors making up more than one-quarter of industrial production. This trend can be observed in crude oil processing, coal mining, iron smelting, lime and cement industry, and a few light and food industry branches. There was a recovery in a few previously backsliding or stagnating branches (bauxite mining and the confectionary industry, for instance). Following the previous rapid growth, there was an abatement in production of machinery and mechanical equipment and in the poultry and egg-processing industry.

The growth of production served primarily export purposes. Export sales increased by 22 percent and domestic sales by 2-3 percent over the last 4 years. There has been a decline in domestic sales particularly in the increase of the sales of products that were going to be further processed or used by other branches of the people's economy. Since 1982 industrial exports have livened up; an increase characterized both the export-oriented branches and branches that do not export much. Exports to the socialist countries increased to a lesser extent than those to nonsocialist countries.

The Development of Gross Production According to Industrial Branches (in 1984, in terms of 1980 percentages)

Vegetable oil industry	147.4
Household and cosmetics chemical industry	145.9
Pharmaceutical industry	138.7
Telecommunications and vacuum technological industry	130.2
Gas production and distribution	129.9
Synthetics processing industry	129.8
Precision instrument industry	126.3
Meat industry	123.2
Poultry and egg-processing industry	122.8
Shoe industry	122.5
Printing industry	120.4
Paper industry	118.9
Aluminum smelting	118.7
Glass industry	118.0
Organic and inorganic chemical industry	114.7
Milk industry	114.0
Electrical machinery and equipment industry	113.5
Electrical energy industry	113.4
Synthetic fertilizer and pesticide production	112.5
Transportation vehicle industry	112.3
Machine and mechanical equipment industry	111.6
Fine ceramics industry	110.4
Plastics and chemical fiber production	110.2
Confectionery industry	109.9
Wool industry	109.7
Beer industry	108.5
Brick, slate, and fire-resistant material industry	107.6
Furniture industry	107.6
Knitting industry	106.5
Rubber industry	104.3
Milling industry	102.5
Leather and fur industry	102.2

Textile clothing apparel industry	98.6
Crude oil and natural gas extraction industry	98.2
Coal mining	97.9
Oil processing industry	96.5
Mass-produced metal products industry	96.3
Iron smelting	94.9
Cotton industry	94.7
Lime and cement industry	94.1
Conserving industry	93.1
Wine industry	92.6
Bauxite mining	88.8

Even in comparison with the international standard, the technical and technological standard is high or satisfactory in coal and bauxite mining, aluminum production, the production of aluminum articles, the petrochemical industry, and the production of certain synthetic fertilizers, pharmaceuticals, and meat industry products. Competitive goods of good quality are produced by the aluminum, petrochemical, and rubber industries. The converter steel manufacturing process and continuous steel smelting introduced in ferrous metallurgy have enhanced productivity, improved the quality of steel, and reduced the energy-intensiveness of production. In the machine industry, road vehicle production, the computer and telecommunications technology industry, and the production of computer-controlled machine tools represent a higher standard. The production of up-to-date agricultural and food industry machinery is vigorously developing. In the last 5 years we have created a modest base for the domestic production of microelectronic components, paying particular attention to the production of installation-oriented circuits requiring greater intellectual expertise.

Technological development activity is playing an increasing role in industrial development. In 1983, research-development allotments in this branch of the people's economy exceeded those of 1980 by 9 percent. Practical application of the results of research and development and transformation of the product structure are not sufficiently rapid. In some areas -- areas that are essential to the intensification of exports -- technological development is less than satisfactory and this hinders the improvement of efficiency. The average age of industrial products is high, the pace of substitution is slow, and the ratio of new and modernized products is relatively small (4-5 percent annually). Not even products with better-than-average technological characteristics rival similar products that are world leaders. Losses caused by inadequate quality are increasing. Progress in improving internal cooperative relations is inadequate, and the development of supporting industry is unsatisfactory. All this impairs the competitiveness of industry and is instrumental in large-scale deterioration of the terms of trade.

The capacity for insuring a higher degree of processing is insufficient. Our lag behind world leaders in the electronics industry is considerable. Only here and there are industrial robots used. The number of licenses applied in industry has increased, but the percentage of products made on this basis is only 5 percent. The number of international cooperative production ventures in industry has considerably increased in recent years, but their role in expanding production is still modest.

In the 1980-84 period, industrial productivity increased to a greater degree than production -- by 4 percent annually on average -- and production per work-hour increased 6 percent annually. The number of people employed in industry declined by more than 100,000. Personnel were reduced to a greater extent in the branches in which production receded or stagnated. The reduction in personnel slowed down from the second half of 1983.

In 1981-84, industrial investment projects valued at 267 billion forints were put into operation. Although the increase in industry's fixed asset stock slowed in recent years, its increase was still more rapid than the production increase. The fixed asset stock of the extraction industry (mining, electric energy industry) greatly expanded. The degree of exploitation of fixed assets decreased. Machinery is 52 percent exploited during a 24-hour day, and 74 percent exploited during regular working hours. Over one-half of industry's machine stock is more than 7 years old. Its level of automation has risen to a small extent -- it has risen considerably in metallurgy and the food industry. Exploitation of newly commissioned, high technology establishments lags behind the industrial average, but the profitability of those establishments was still more favorable than that of the industrial average. However, one-fifth of the new establishments operated at a loss even 1-2 years after investments were completed.

Specific energy and material usage -- particularly in the processing industry and metallurgy -- decreased. Material supply was on the whole satisfactory; the problems that arose from time to time and in some places did not cause any significant production disorders.

The Construction Industry

Reduced investment -- in accordance with annual plan targets -- was accompanied by a decline in construction demand. In the last 4 years, building [kivitelezo] construction activity decreased 19 percent. Production by organizations that do not belong to the construction industry also decreased, but the volume of private building has risen. Consequently, construction-assembly activity on a national scale dropped behind the 1980 level by some 8 percent. Construction-assembly activity conducted in export undertakings increased, amounting to 3-4 percent of total construction activity.

The number of people employed in construction-assembly activity has decreased in the building construction industry and in organizations that do not belong to the construction industry, in keeping with the development of production, and has increased in private construction. The exploitation of capacities has decreased -- primarily within organizations capable of large investment projects or specialized organizations (for instance, organizations specialized in the construction of dwellings from prefabricated panels). At the same time, regrouping the labor force helped to satisfy small -- primarily maintenance -- construction requirements. The rate of maintenance jobs also increased in the building construction industry (from 18 percent in 1980 to 22 percent in 1984). It was not possible to perceptibly improve the quality of construction activity, of the structural and regional harmony between supply and demand of capacities, and of work discipline and to reduce how long it takes to complete projects.

The building material industry increased production and modernized its product range. However, there is considerable unsatisfied demand in supplying materials for the private construction of dwellings and the large-scale price increases are causing problems.

The Development and Subdivision of Nationwide Construction-Assembly Activity

	Construction-assembly volume in 1984, in 1980 percentages	Activity subdivision (in percentages)	
		1980	1984
Building construction industry	81.1	58.3	50.2
Organizations not belonging to the construction industry	97.7	28.3	29.5
Private construction	123.3	13.4	20.3
Nationwide construction industry overall	92.1	100.0	100.0

Agriculture and Forestry

Agricultural production increased considerably in the first 4 years of the Sixth 5-Year Plan period, exceeding average production of the 1976-80 period by 12.4 percent. Within this, plant production increased 11.6 percent and livestock breeding 13.1 percent. Because of climatic effects, the development of plant growing was uneven: Following the good 1982 harvest, production declined because of a drought in 1983, while in 1984 it was 4 percent greater than in the preceding year. The percentage increase in input was lower than in the seventies and no longer exceeded the percentage increase in production.

The larger part of the production increase served to improve state's foreign trade balance. In the last 4 years, agriculture's sales of commodities increased by 12 percent, the population's foodstuff purchases by 3 percent, and agricultural and food industry exports by 36 percent.

Sixty-five percent of the agricultural products were produced at the large enterprises and 35 percent at the household and ancillary farms. Small-scale production's ratio within the total production increased somewhat as a result of closer cooperation between the large enterprises and the general consumer and marketing cooperatives and small-scale producers, the socialist organizations' material-technical and production-organizational help, and the activity of specialized agricultural groups.

In addition to their basic activity, large agricultural enterprises increasingly engaged in industrial, industrial construction, and service activity. Then in 1981-83, production of a nonagricultural nature increased 50 percent, and its share in the enterprises' income from fees increased from 31 percent in 1980 to 38 percent. This trend stopped in 1984.

The Production of Major Crops in Terms of 1981-84 Averages

	Total production		Yields	
	Million tons	In 1976-80 percent averages	Tons per hectare	In 1976-80 percent averages
Cereals	14.3	113	5.0	117
Of these				
Wheat	5.9	114	4.6	113
Corn	7.0	110	6.1	125
Sugar beet	4.6	114	39.1	116
Sunflower	0.6	199	2.0	123
Potatoes	1.5	94	18.1	128
Grapes	0.9	105	5.7	124

The yields of cereals and plants that require hoeing rapidly increased: In terms of 1981-84 averages, they were 15-25 greater than they were in the preceding 5 years. In cereal production, with a wheat yield of 4.6 tons per hectare and a corn yield of over 6 tons per hectare, our country is among the world's highest achievers. Despite a reduction in the sown area, total average wheat production in the last 4 years exceeded the average of the Fifth 5-Year Plan period by more than 1.5 million tons (13 percent).

The production of industrial plants, primarily of those processing sunflower, has developed successfully, while the production of vegetables has declined.

Within livestock breeding, hog breeding developed most dynamically. In the last 4 years, the hog population increased by 900,000 and amounted to 9.2 million at the end of 1984. Pork production increased by 22 percent in the same period. Since 1981, the cattle stock has slightly decreased. Milk production -- owing to a 20 percent improvement in yields -- has increased. Because of unfavorable sales opportunities in the foreign market, the increase in poultry stock slowed in 1983, but the production of poultry, meat, and eggs continued to expand, although the latter declined somewhat in 1984. Fodder management is gradually improving, but its standard remains unsatisfactory.

The Production of Major Animal Products

	1976-80 Averages	1981-84 Averages
Total of slaughter animals, in million tons	2.0	2.2
Of this:		
Hogs	1.1	1.3
Poultry	0.4	0.5
Milk, in billion liters	2.2	2.7
Eggs, in billions	4.5	4.4
Wool, in 1,000 tons	12.5	10.6

The material-technical and biological basis of agriculture has been updated and expanded. Mechanization has intensified and the application of high-performance, modern machines has been brought to the fore. The employment of synthetic fertilizers, organic fertilizers, and plant-protecting agents has increased. Greater attention is being paid to their efficient employment. The management of the productive power of the soil has slightly improved; some 40,000 hectares of arable land were ameliorated annually. Under the effect of stricter land-protection regulations, the decrease in cultivated area slowed down: In 1975-80, it amounted to an average 30,000 hectares annually, while it was only an average 11,000 hectares annually in 1980-84. As compared with a 23,000-hectare average of the previous years, the fallow area is less than 10,000 hectares today.

In the category of large-scale socialist agricultural enterprises, 1,279 producer cooperatives, 128 state farms, 62 special agricultural cooperatives, and 16 fishery producer cooperatives operated at the end of 1984. At the majority of the agricultural organizations, the sizes of plants that have developed were conducive to material-technical development. Large-scale enterprises strove to take better advantage of their endowments and to flexibly adapt to market conditions. One-third of the large-scale agricultural enterprises operate under unfavorable conditions. The profit-making capacity and adaptability of these are inferior and their development is slower.

The operational and managerial independence of producer cooperatives and state farms and enterprises and their incentives for increasing production and improving their economic activity have continued to increase. Cooperation among large-scale enterprises has intensified. At present, 51 cooperative associations are in operation. Four agro-industrial associations are successfully conducting activity that fits well in the agricultural cooperation system.

The role of industry-like production systems has become a determinant in plant production and livestock breeding. The fact that the number of people with high- and medium-level qualifications and well-trained working people has increased has contributed to the results of agriculture.

The forestry and timber-producing economic units met population requirements and the improved standard of the processing industry. In the last 4 years, the quantity of timber extracted increased 5 percent, and with an increasingly large portion being used for industrial purposes. The planting of new forests continued but at a slower pace. The amount of forest area and the number of trees have increased with forests now covering 17.6 percent of the country's area.

Transportation and Telecommunications

As against the decidedly growing trend of the previous years, given the slower economic growth rate the freight-conveyance achievements of transportation increased only slightly and, in fact, in certain years (1982 and 1983) diminished. In 1984 railroad and river shipping was 4-6 percent lower than in 1980, while, compared with 1980, rail transportation and road conveyance increased 6-9 percent and freight conveyance of sea shipping increased almost 30 percent.

Partly because of the uneven pace of production, transportation enterprises could not always meet conveyance requirements on time.

Between 1980 and 1984, the achievements of long-distance passenger conveyance decreased 8-9 percent, partly because of an increase of transportation tariffs and partly because of the development of individual communications and motorization. However, the achievements of local passenger conveyance have continuously increased -- 7-8 percent in 4 years.

Railroad electrification and track modernization were continued, new stretches of freeway were commissioned, the subway system was expanded, and reconstruction of the Arpad Bridge and the related priority transportation investment project have been completed. Air communications have developed, and a considerable improvement of infrastructural prerequisites is in progress. The vehicle stock of public transportation expanded at a moderate rate, the pace of modernization slowed down, and replacement requirements accumulated. The number of cars increased by 331,000 in the last 4 years and reached 1,344,000 at the end of 1984.

The quantity of mail handled increased moderately and telephone traffic increased dynamically. The number of main and substations connected to the circuit increased by more than 170,000 -- almost 14 percent. The number of telephones per 100 members of population (including telephones at public institutions) increased from 11.8 to 13.5. At present, the subscribers of 724 of our localities and 49 countries (28 European countries and 21 countries outside of Europe) can be reached by long-distance dialing. However, the development of the telephone system lags considerably behind the requirements. The number of those waiting for telephones has continued to increase and by the end of 1984 reached 430,000. The radio and television transmission system has been developing, and reception facilities have improved.

Water Management

Water supply management -- apart from temporary tensions that occurred in some areas -- met the country's water needs. The need for water decreased, but requirements pertaining to the quality of water increased.

In the last 4 years, the daily capacity of communal water works increased by approximately 860,000 cubic meters. The growth rate of water usage by large industrial users slowed, while the quantity of water used by the population continued to increase dynamically.

In 1980-84, 406,000 dwellings were connected to the public utility water supply, which provides water for close to 2.4 million dwellings. The problem of supplying water of an adequate quality from the public health viewpoint to some 610 small settlements is still unresolved.

Despite the previous dynamic development, sewage disposal and purification has not kept abreast with the expansion of water supplies and does not satisfy the requirements. The daily capacity of public utility sewage purifiers has increased by approximately 290,000 cubic meters. Some two-fifths of the sewage disposed of is purified.

With the regulation of ground water exploitation, agricultural water management has suitably helped large-scale production. However, the exploitation of the major irrigation works that have been constructed is low.

Flood protection has developed, and the length of dikes built to the prescribed dimensions has increased by almost 100 kilometers. (The fact that some 25 percent of the reproducible national wealth is located in the area protected from the danger of floods and that one-third of the population lives there shows the significance of flood protection.)

2. Area Development

Although territorial distribution of the forces of production has become slightly more proportional, because of the limits of property that can be turned to investments, there was no measurable change in respect to territorial proportions.

Industry continued to develop mainly in the existing territorial bases, and new big investments were primarily carried out in the energy and basic material industry. The proportion of provincial industrial enterprises in total industrial production continued to increase. Modernization of enterprises' organizational systems contributed to the increase in the economic independence of the enterprises and company seats in the provinces and the strengthening of their links with their own environment. The role of large-scale agricultural enterprises and the food industry in the territorial and settlement development continued to strengthen and contributed to a greater extent to economic development of certain areas and to reducing the differences in income and living conditions of the population in various areas. There was dynamic development mainly in the economy of areas having favorable natural endowments and those that possess an advantageous industrial and infrastructural background.

The territorial differences in the standard of living and living conditions of the population decreased. The level of supply to the towns and villages became closer, mainly in regard to basic supplies for the population. The fact that the material resources of people in the agricultural enterprises and villages were more involved played a role in this.

There has been further improvement in the housing supply -- in spite of the existing tensions -- and two-thirds of the new homes were built in the towns.

The quantitative lack of housing has been eliminated in the overwhelming majority of the villages. As far as public utilities are concerned, priority was given to developing the water and natural gas supply. The proportion of the population with water supplied by public utilities increased from 75 percent in 1980 to 83 percent, mainly in settlements that previously had lower supplies. The basic area of the small-trade network increased by 10 percent. The territorial differences in cultural, educational, and medical supply decreased, but they still play a role in social inequalities.

The transformation of our system of settlements was characterized by a general development of the towns and a differentiated development of the villages. The number of towns (including the capital) increased from 96 to 109. The county seats, and the towns of vacation and industrialized areas developed faster than average. At the same time, the increase in the urban population slowed down. Among the village communities, there was an acceleration in the development mainly of larger, urbanized villages and of smaller settlements with favorable natural and economic endowments. The situation, however, of the more than 800 mini-villages (population less than 500), where 2.4 percent of our population live is unfavorable. There has been an improvement in the situation of the population living in peripheral areas, but the supply and social care of elderly people living on ranches continues to be inadequate.

3. International Economic Relations

In accordance with the decisions of the 12th congress -- in spite of further deterioration of external conditions -- we increased our participation in the international division of labor and expanded our foreign economic relations. Hungary, which is highly dependent on international economic relations, currently exports to 143 countries and imports from 103 countries.

In 1984 the volume of exports exceeded by 28 percent that of 1980, while imports increased 4 percent.

We carry out most of our foreign trade with the socialist countries (53 percent), more than half of this figure with the USSR.

Economic cooperation with the socialist countries continued to expand. The volume of exports in foreign trade with the socialist countries increased 24 percent in the last 4 years and imports increased 3 percent. The CEMA member-countries play a key role in our relations. We continue to purchase the decisive proportion of energy and raw materials required by the people's economy from the CEMA member-countries, mainly from the USSR, as well as machine investments of high importance. At the same time, in accordance with our economic endowments and our production structure, a large part of our machine and consumer goods and food industry exports are directed to these countries.

Hungary has fulfilled its obligations within CEMA. In accordance with our endowments and material possibilities, we continue to participate in the expansion of raw material-exploiting capacities mainly in the USSR. Putting into operation the Paks nuclear power station, which is of great importance in supplying the people's economy with energy, concluding the new section of the friendship natural gas pipe, and modernizing our iron metallurgy, for instance, is taking place as a result of cooperation within CEMA. This cooperation has considerably contributed to the developments of public-road vehicle industry and the computer industry.

Foreign trade turnover transacted on the basis of specialization and joint venture agreements increased by 50 percent in the last 4 years.

Today, products specialized in and produced under joint ventures account for almost one-third of Hungarian exports to CEMA countries, and this includes almost 50 percent of machine and chemical industry exports. In recent years, specialization and joint ventures also expanded in the sphere of microelectronics. We continue to actively take the initiative in elaboration and implementation of target programs with terms of various length and in the conclusion of new cooperation agreements.

Development of the Volume of Foreign Trade Turnover (1984, in 1980 percentages)

	Exports	Imports
Socialist countries	124	103
Developing countries	145	158
Developed capitalist countries	132	96
Overall	128	104

The volume of exports to developed capitalist countries -- despite difficult selling conditions and occasional discrimination -- expanded simultaneously with a decrease of imports from them. One-third of our foreign trade turnover goes to those countries.

Our foreign trade turnover with developing countries is dynamically developing at an above-average rate. We are transacting 11-12 percent of the turnover with that group of countries (compared to 9 percent in 1980). In addition to raw materials and agricultural products, imports of consumer goods for supplying the population have also considerably expanded. Fairly long-term joint venture relations based on mutual interest have expanded as well. Commensurate with our possibilities, we accord economic aid to some developing countries. We assume a share in training experts from developing countries and fostering their technical-scientific development.

In our exports, the proportion of less competitive products with a low processing level is still considerable. To lay foundations for more efficient participation in the international division of labor and for improving our technological standard, we have expanded joint venture relations that serve more lasting production cooperation between enterprises.

To improve the external balance of the people's economy, develop our foreign economic relations and, in accordance with this, enliven our international financial activity, we joined special UN financial agencies: the IMF and the International Bank for Reconstruction and Development. Our membership has contributed to the preservation of our international liquidity and the expansion of our imports.

VI. Standard of Living, Social Policy

Taking society as a whole, the standard of living of the population has basically developed in accordance with the standard of living policy objectives defined at the 12th congress. The real income and consumption of the population are expected to rise to, or close to, the extent envisaged under the Sixth 5-Year Plan. The living conditions of the population are improving. Priority programs aimed at improving supplies are being closely realized in line with the plan's provisions.

The value of our results is enhanced by the fact that we have attained them under deteriorating external economic conditions, conditions that are more difficult than expected. Preserving the country's international liquidity called for improving the foreign economic balance, which necessitated a reduction in the domestic utilization of the national income and the implementation of a strict and consistent policy of distribution.

1. Income and Consumption

Employment Policy

Full employment, which is the fundamental prerequisite for a secure existence, has been maintained as before. On the basis of the 12th congress resolution, a government measure was implemented to improve the efficiency of manpower management and working conditions. The switch to a 5-day work week was completed throughout the country. In essence, the introduction of the 40-hour work week has been completed in industry, the construction industry, and state administration. (In agriculture, making allowances for branch characteristics, enterprises determine working hours under their self-administrative competence.) The bottom limit for paid holidays has been raised to 15 days, which primarily affects young employees. Enterprises offset the reduction in work hours through organizational measures and the more rational exploitation of work hours. The time frame for performing work while receiving pensions was expanded and part-time employment was made possible for those on child-care leave. Opportunities for pursuing lucrative spare-time activity have been augmented by making it easier to undertake work on the side and by the appearance and spread of various forms of small-scale ventures.

The Development of Incomes, Wages, and Prices

In the last 4 years, the overall income of the population (incomes earned by work and pensions and social allocations taken together) increased by approximately 37 percent and amounted to 632 billion forints in 1984. The per capita overall annual income was approximately 59,000 forints. Consumer prices have increased by 30 percent, thus, the per capita real income increased on the average by 5.8 in 4 years. (The Sixth 5-Year Plan envisages a 6-7 percent real income increase.) The real income of some groups of society declined.

Within incomes, incomes earned by work -- which account for two-thirds of the overall income of the population -- increased in real value to a small extent -- by approximately 2 percent -- and, in their entirety, pensions and social allocations increased by 11.7 percent. Of incomes earned by work, the real wages of workers and employees and the real earnings of the working people of producer cooperatives declined by some 6 percent. The real value of incomes stemming from household, ancillary, and private farms also declined somewhat. The incomes derived from enterprise and private business work partnerships, other private activities, and vocational industrial service groups increased; their rate within incomes earned by work amounts to approximately 10 percent.

In 1984, monthly average earnings per worker and employee exceeded 5,500 forints. In individual branches, average wages and incomes increased with little variation in manual and nonmanual spheres of work. Under the effect of the changes made in economic regulations, the incentive role of wages and earnings increased somewhat. The interrelationship between individual wages and earnings and the quantity and quality of performance strengthened to some extent.

Taken on the whole, consumer prices increased more than envisaged by the Sixth 5-Year Plan. The price level was equally affected by central price measures, enterprise price alterations, increases in import prices and increases in prices of seasonal foodstuffs. Costs for construction and purchase of homes, catering, and for services have risen the greatest extent. Among other things, the price increases have improved the balance between domestic supply and demand, influenced the consumption structure and the state of the foreign economic balance, and strengthened endeavors to equalize differences in wages.

The income levels of the fundamental social strata have come closer to each other. According to a 1982 survey, the average per capita incomes of the workers class and the peasantry are, in essence, identical. The average earnings of the cooperative peasantry are lower than those of the workers, but are compensated for by incomes obtained from ancillary farms. The appearance of the new forms of economic activity has somewhat diversified the population's income per family and person. The difference in per capita incomes of actively earning families is primarily a result of the earner-dependent ratio and nonorganized income rearrangements. The standard of living has primarily deteriorated among those families in which there are more dependents and in which wages as the main sources of income have not kept abreast with the increase in consumer prices.

Pensions, Social Allotments

On the whole, pensions and social allocations have increased more rapidly than incomes earned by work; in 1984, their proportion in the population's income amounted to 33-34 percent. The sum total of pensions and social allocations increased from 148 billion forints in 1980 to 212 billion forints in 1984. The greater portion of social allocations is in cash.

Of allocations related to children, family allowances increased from 13.6 billion forints in 1980 to 19.4 billion forints in 1984. We devoted 2.4 percent of the national income for this purpose. As of 1 July 1983, all families with one child receive a monthly family allowance of 300 forints, instead of the previous 130 forint supplement, until the child is 6 years old. The allowance for families with two children has been increased from a monthly 490 forints to 600 forints per child. To compensate for the central price increases, the family allowance has been increased by a further 70 forints per child as of January 1984. In 1984, 2.31 million children -- 215,000 more than 4 years previously -- received a family allowance. Now, as before, some 80-83 percent of the women entitled to it avail themselves of child care allowances. The real value of family allowances slightly exceeded the 1980 level, while the real value of child care allowances fell below it.

From 65,000 in 1980, the number of infant day home places increased to almost 70,000 by the end of 1984. The state assumes some one-third of all family expenditures connected with children (feeding, clothing).

Pensions, Social Allocations (millions of forints)

	1980	1984
Social income in cash	87.0	125.4
Of this		
Pensions	56.0	84.1
Family allowances	13.6	19.4
Child care allowances	3.9	3.4
Sickness benefits	8.5	11.3
Scholarships, other allowances	5.0	7.2
Allocations in kind	60.7	86.4
Of this		
Health care	18.2	26.0
Education, kindergartens	25.3	36.5
Total pensions and social allocations	147.7	211.8

In social allocations in cash, pensions play a key role. In 1984, 84 billion forints were paid out for pensions, which is 10.5 percent of the national income. At the beginning of 1985, the number of old-age pensioners and annuitants came close to 2.3 million.

(Of these, 47 percent receive pensions in their own right, 9 percent receive relatives' -- widows' and so forth -- worker-employee pensions, 20 percent receive agricultural producer cooperative or trade union pensions, 6 percent receive agricultural producer cooperative or trade union annuities, and 3 percent receive pensions under other entitlements.) The average monthly sum paid to them increased from 2,267 forints in 1980 to 3,110 forints in 1984. The average pension of workers and employees established in 1984 amounted to 4,095 forints. The average amount of pensions increased beyond average worker-employee earnings. Consequently, average pensions amounted to 51 percent of average earnings in 1980 and 56 percent of them in 1984. The average amount of pensions has increased primarily due to the fact that the composition of pensioners and annuitants constantly changes. There are great differences in the material positions of old-age pensioners: in 1984, the amount of the monthly pensions of 17 percent of the pensioners was below 2,000 forints and of 14 percent of the pensioners above 4,000 forints. Through the impact of the automatic annual pension increases and the measures related to price increases, the real value of the lower pensions (under 2,000 forints) increased and the real value of average and above-average pensions decreased.

Pensions constitute three-quarters of the total income of pensioners. One-fifth of the pensioners (430,000 people) are working. The earnings derived from this account for approximately 6 percent of the pensioners' total income. Over 60 percent of pensioner households also have income derived from household gardens and household and other plots, which accounts for approximately 16 percent of the overall incomes. It is primarily those younger pensioners whose pensions are usually higher anyway who are able to supplement their incomes through part-time work or small garden plots.

Those pensioners who live alone and fend for themselves number approximately 430,000. Some 60 percent of pensioners need regular medical care. The proportion of pensioners who are unable to fend for themselves, are partly immobile, or are bedridden is high in the older age groups in particular. Social care for the elderly was extended to 89,000 people in 1980 and 100,000 at the end of 1984.

The role of social allocations in kind in the income of the population increased somewhat. One-third of these allocations served health and social care, 40 percent education, and the rest sports and recreational purposes.

In the last 4 years, the enterprises and cooperatives spent approximately 35 billion forints on improving the living conditions of the working people.

The Consumption and Commodity Supply of the Population

In the income allocation of the population, the amount of money saved and the proportion devoted to the construction of dwellings increased somewhat and the proportion for consumption decreased. In this way, the per capita consumption of the population increased by approximately 6 percent in the last 4 years. (The Sixth 5-Year Plan allowed for a 7-9 percent increase in consumption.)

Foodstuff consumption increased to an extent close to overall consumption. Its mix has become more up-to-date: the consumption of meat, milk and milk products, and, to a small degree, fruit, increased and the consumption of products made of flour decreased. The consumption of fats continues to be high, per capita consumption of meat and fish increased from 74 kilograms in 1980 to 78 kilograms in 1984, while consumption of milk and dairy products rose from 166 to 185 kilograms. At variance with the previous trend, the consumption of nonessential foodstuffs has increased to an extent considerably below the average.

Clothing purchases declined slightly; their proportion in overall consumption decreased. The previous rapid increase in fuel and household energy consumption subsided. Import facilities limited car purchases.

The population owned 34 percent more cars at the end of 1984 than in 1980. Per capita purchases of other consumer durables increased by 17 percent in the last 4 years. Today, most households are equipped with a wide range of consumer durables. The spread of appliances that satisfy modern consumer needs continued; purchases of color television sets, automatic washing machines, freezers, and electronic home entertainment equipment has also increased. However, though demand still exceeds supply, there are temporary shortages of certain goods.

Consumer Durable Goods (per 100 households)

	At the end of 1980	At the end of 1984
Refrigerators	87	101
Washing machines	91	96
Vacuum cleaners	76	84
Automobiles	26	34
Radios	142	157
Television sets	99	108

Despite the more difficult foreign economic conditions, the maintenance of the balance of the population's purchasing power and consumer commodity base has been fundamentally successful. However, increasing consumer needs and increasingly varied demand could only be partly satisfied. In spite of our efforts, there are still not enough relatively inexpensive products. The food supply was normal and of a high standard and the variety of goods became wider and more up-to-date. However, the standard of supply of industrial goods varied yearly and according to product group.

The commercial network of catering and public dining has become more modern and extensive. In general, the new operational forms have improved shopping conditions and the standard of services.

2. Living Conditions

Housing Construction, Housing Management

In accordance with the objectives endorsed in the resolution of the 12th congress and the 5-year plan for the people's economy, in the last 4 years 297,000 dwellings have been built. In addition, more than 100,000 dwellings managed by local councils have been renovated and almost 90,000 dwellings modernized in the 1981-84 period. The provision of housing has improved. The number of dwellings stood at 3.8 million at the beginning of 1985. The number of inhabitants per 100 dwellings declined from 302 in 1980 to 278, and the number of inhabitants per 100 rooms from 152 to 135. Unsatisfied housing requirements have become more moderate, although they are still considerable in Budapest and certain large cities and constitute one of our greatest social problems.

The quality of dwellings and their furnishing have improved. Of every 100 dwellings constructed in the last 4 years, only 5 consist of 1 room and 50 consist of 3 rooms or more. Consequently, the composition of dwellings has gradually shifted toward those with several rooms. At present, half the dwellings have two rooms and more than one-quarter of them have three rooms or more. The average basic area at the dwellings built in recent years has increased; it amounted to 78 square meters in 1984. The average basic area of dwellings built from state resources remained 54 square meters, but that of privately built dwellings increased from 76 to 82 square meters. However, it is an unfavorable fact that the costs of housing construction have increased. Taking all the completed dwellings into consideration, the net construction cost per square meter increased by 50 percent in the last 4 years.

Financial conditions for obtaining and maintaining dwellings have changed in the last 4 years. The number of state-constructed dwellings financed from the budget decreased (30,000 in 1980 and 10,000 in 1984). The construction of privately-owned dwellings came to the fore (65 percent of all the dwellings built in 1980 and 86 percent of those built in 1984 are privately owned). To encourage and support this, credits available under favorable long-term interest rates have been increased and the sphere of those eligible for social-political support has been expanded. In general, the decline of state dwelling construction has worsened the prospects for obtaining a dwelling for those families in a more disadvantageous social position. The problems this involves were lessened somewhat by the fact that young married couples and families with several children were given preference in the allocation of dwellings. As the result of a modernization of the housing management system, the degree of utilization of dwellings and the number of organized exchanges of dwellings rose. Since 1980, some 120,000 families obtained dwellings more suitable for them through exchanges. Only the initial steps have been taken in establishing the conditions for acquiring dwellings systematically through institutionally-aided exchanges.

The material resources serving the preservation, modernization, and utilization of the existing stock of dwellings have increased and the technological-organizational conditions have improved.

The planned housing renovations and modernizations have been carried out, and as a result of the encouraging financial measures, there has also been an increase in the number of modernization projects carried out at the initiative of the population. The development of organizations dealing with real estate has started. The housing cooperatives are taking care of the maintenance of 250,000 dwellings. As a result of the decrease in state dwelling construction and the increase in the construction of privately owned dwellings, there has been a reduction in the application of modern professional technologies, and the traditional construction methods have again come into the forefront.

The number of households connected to the public utility network and to the natural gas supply increased by 18 and 20 percent, respectively, in the last 4 years, and the number of dwellings connected to district heating increased by almost 120,000.

Services Carried Out for the Population

The repair, maintenance, and personal services carried out in behalf of the population increased their performance by 19 percent between 1980-1984, which is less than the increase in the previous period but more than the increase in the total consumption of the population. As a result of the smaller increase in incomes and the increase in service costs, the demand for services developed in a differentiated way. The population postponed the fulfillment of services regarded as less important and placed the cheaper service solutions in the forefront. As a result, the proportion of unprofessional work in the fulfillment of demands has increased and the services carried out within the households. Among other things, there has been a decrease in the demand for laundry, dry cleaning, shoe repair, tailored clothing, and hairdressing services; a slight increase in automotive services [motorizacios szolgaltatasok]; and an above average increase in household appliance, housing maintenance, and trade services, as well as in cargo transport.

In 1984, the socialist sector carried out 41 percent of the population's services and the remaining 59 percent were carried out by small private trade. The number of organizations and service locations in the socialist sector has not essentially changed in recent years.

The average time needed for the conclusion of ordered work has decreased slightly. The quality and standards of the services have not perceptibly improved. Business hours and the end of the workday often fail to adjust to consumers' schedules.

Environmental Protection

As a natural result of our socioeconomic development, the protection of man's environment has come to the forefront in Hungary. Society is devoting increased attention to the new environmental dangers and to avoiding their effects. Environmental protection has become an organic part of economic policy and emerged among the factors of economic activity.

We have allocated 1.5-2 percent of the national income to environmental protection in the last 4 years. As a result of governmental and local measures and efforts, the increase in environmental pollution has slowed down. We have achieved results in determining stricter environmental requirements and in establishing long-term tasks.

The pollution of our larger rivers and lakes has decreased. Increasing attention and efforts were devoted to the improvement of the water quality of Lake Balaton, and the favorable effects can already be felt. The underground water reserves, especially the subsoil water, however, are considerably polluted in certain areas. The assertion of stricter requirements has become necessary for the preservation of the quality of the reserves.

Air pollution, primarily in Budapest and certain industrial centers, decreased. Air and noise pollution from transportation in our large cities continue to present great problems.

In spite of improvements in the utilization of waste materials the increasing amount of waste is an ever greater environmental protection task. We have achieved initial results in keeping records of dangerous waste, and the establishment of disposal sites and incineration plants has begun. Our natural assets enjoy special protection in some 472,000 hectares of the country's territory.

Tourism

The role played by tourism in socioeconomic life has increased in recent years. The qualitative elements have moved to the forefront as regards both its development and its growth. There were 13.4 million visitors to Hungary in 1984, slightly fewer than in 1980. Of the foreigners visiting Hungary, 74 percent came from the socialist countries. The number of people coming from nonsocialist countries increased by 1.6 million in the last 4 years. The foreign guest turnover at the accommodation facilities grew by 45 percent, and currency derived from international tourism more than doubled.

The number of trips abroad made by Hungarian citizens has oscillated around 4-5 million in recent years. Among the people traveling abroad in 1984, more than 500,000 tourists traveled to capitalist countries.

Domestic tourism, vacations, camping, and excursions are playing an increasing role in the useful spending of leisure time. The number of vacation and holiday spots built by the population is steadily increasing. Trade union and enterprise sponsored holidays have become more widespread and youth tourism has increased considerably.

The number of commercial accommodation places increased by 27 percent in the past 4 years, and the number of hotel rooms by 26 percent. The number of hotel rooms in the summer of 1984 exceeded 43,000, and the number of other accommodations -- primarily as a result of the expansion of camping facilities and paying guest facilities -- approached 260,000.

Health and Social Services

The number of district physicians in charge of outpatient services and treatment of patients confined to their beds at home was 4,248 at the end of 1984, 4.9 percent more than in 1980. The number of district pediatricians increased in this period from 1,042 to 1,205. An average of 1,955 citizens share a district physician and a district pediatrician. The central medical service covers some 76 percent of the districts. Enterprise medical assistance exists at 2,343 enterprises with 2,319 full-time and part-time enterprise physicians and enterprise district physicians taking part. The polyclinics for specialist consultations are taking care of outpatients to the extent of 45,000 medical working hours per day. In the majority of counties, different screening tests connected to pulmonary screening are also carried out, and the number of gynecological and other cancer screenings approaches 1 million screenings per year. The family and women's protection advisory service has been comprehensively developed.

The number of hospital beds per 10,000 people increased from 89.2 percent to 94.1 percent; this means a total of 100,271 operating hospital beds. In the course of switching to the 5-day work week, patient-registration units were created at hospitals, but the use of hospital beds is still inefficient. More heart operations were carried out, cardiological intensive care improved, and the capacity to handle emergency surgery has increased. There are 17 artificial kidney stations operating at present. Mental health care, however, is lagging behind requirements.

The operational conditions of the national ambulance service have improved.

The pharmaceutical network was expanded during preceding plan periods and new pharmacies were built at new housing developments and city centers. There are 1,418 public pharmacies.

Considerable research and practical achievements contributed to the discovery of job-related complaints. The public health and epidemiology service is adequately fulfilling its tasks in the area of establishing the pathogens of individual contagious diseases and epidemics in discovering the sources of infection and modes of transmission and in combatting epidemics.

As a result of expansion in capacity and a reduction in demand, accommodations in day creches have improved. There are sufficient day creche places, but the capacity of children's medical homes is lagging behind requirements.

The number of places in old people's day-time homes increased to a greater extent than planned. (There were some 26,000 in 1980.) The number of social workers in the field increased from 16,000 to 19,000 and the number of people taken care of by them increased from 35,000 to 50,000 in the last 4 years.

The development of council and central social welfare homes is lagging behind the plan. In 4 years, the number of places increased from 33,700 to 36,300, that is, by 8 percent. The specialization of social institutions has begun, and the conditions of institutional care for adult mental problems are being developed.

The number of physicians increased by 9.9 percent since 1980; there are 31.8 physicians per 10,000 people compared with the previous 28.8. There were 33,893 physicians in Hungary at the end of 1984. There has been a considerable increase in the number of medical assistants, exceeding 130,000 at present.

3. Disturbances in Adjusting to Society

The increasingly difficult economic conditions and the standstill in the standard of living -- its decline for a part of the population -- have brought certain disturbances to the surface in adjusting to society. There is an increasingly strong government and social program under way to reduce their spread and unfavorable effects.

Alcoholism continues to cause severe problems. The consumption of alcohol continues to be high, having barely declined in recent years. Among alcoholics, some 40,000-50,000 receive medical treatment; the number of actual alcoholics, however, is estimated to be several times higher.

The use of narcotics has made its appearance, although in a narrower sphere than that observed abroad, in our country as well, mainly among young people. The health service provides help in 6,000 such cases annually. Each year 30,000 members of the population come in contact with narcotics, mainly drugs with a weaker effect.

According to figures of the public guardianship [gymhatosagok] authorities and the schools, the development of the personality of approximately 4.5 percent of minors is endangered. The situation of the people cared for by the state and those living in educational homes cannot be regarded as resolved, even in comparison with existing means.

The number of various mental (nervous, psychic) disorders is increasing, but the ability to diagnose and treat such maladies is strengthening. Suicides number close to 5,000 annually.

VII. The Sciences, Education, Public Culture, and the Arts

1. In 1983, research and development activity was conducted at 1,274 organizational units (69 research and development institutes, 919 university and college departments, and 207 enterprises and 80 other seats of research) in our country. The number of research and development institutes has decreased considerably since 1980, mainly because a portion of the research institutes have been reorganized into development enterprises or budgetary institutions (so-called supporting institutes).

As a result of decisions that have been taken, and reorganizations, the number of people employed at seats of research (research institutes, departments, enterprises, and public depositories) has decreased from 85,000 in 1980 to 78,000 in 1983. This last figure accounts for 1.6 percent of the active wage earners. Approximately 47 percent of the 36,722 working people at the seats of research are scientific researchers.

The numerical strength of the "core team" of scientific researchers (those between 30 and 50) has remained essentially unchanged at 63 percent for about a decade, but the ratio of those over 50 has considerably increased -- from 13 to 21 percent between 1972 and 1982 -- while the ratio of those below 30 has decreased from 21 to 16 percent.

In 1983, some 51 percent of the scientific researchers engaged in the technical sciences, 13 percent in the natural sciences, 8 percent in agricultural research, 10 percent in the medical sciences, and 18 percent in the social sciences. The proportion among the scientific branches has for a long time remained unchanged. Classifying the seats of research according to branches of the people's economy, 33.1 percent of the scientific researchers work in industry, 3.1 percent in the construction industry, 3.4 percent in agriculture and forestry, 6.8 percent in the other material branches, 41.8 in health, social, and cultural branches, and 11.8 percent in the communal, public administrative, and other service branches of the people's economy.

In 1983, society allotted 23.5 billion forints to the financing of research-development activities. At current prices, this was 7 percent more than in 1980. The research and development allotment has decreased from 3.65 percent of the domestic utilization of the national income in 1980 to 3.27 percent in 1983. The proportion of investments for research and development purposes has also decreased from 1.61 percent of the investments in the people's economy to 1.41 percent.

Of the research and development allocations, we devoted the greatest portion to the financing of activities of an experimental development nature. Their ratio has increased from 55 to 57 percent since 1980. Since then, the ratio of applied research has decreased from 31.7 to 31.4 percent and the ratio of basic research from 13.3 to 11.6 percent.

Between 1980 and 1983, the number of research subjects and development tasks continued to decrease slightly, from 30,647 to 30,073. Approximately 8 percent of the subjects -- 2,548 of them -- are researched within the framework of international cooperation, the overwhelming majority of them, 1,996, together with CEMA countries. In 1983 the number of visits abroad for scientific purposes amounted to 21,487, somewhat higher than previously.

Between 1980 and 1983, the number of dissertations (technical articles) published in scientific periodicals has increased from 19,496 to 22,455 and, within this, the number of articles published in foreign technical periodicals has considerably risen (from 4,133 to 5,014). The number of innovations registered has increased (from 4,738 to 5,002), but the number of inventions registered at home and abroad has decreased (from 2,618 to 2,585).

2. Education

In 1981-84, we allotted some 23 billion forints to the development of educational institutes. Of the investments of the socialist organs, 3.21 percent (3.02 percent in 1980) was devoted to this purpose and 6.3 percent of the state budgetary expenditures was devoted to maintenance (6.02 percent in 1980) in 1983.

In 1980, 157,700 and in 1984, 178,000 teachers worked at the kindergartens, general and medium-level educational institutes, in higher education, and at students' and educational homes. In 1980, 7.2 percent of the kindergarten teachers and 3.8 percent of the general school teachers were unqualified. The ratio of the former had decreased to 4.3 percent and that of the latter had increased to 4.4 percent by 1984.

In 1984, almost 2.4 million students studied at state educational institutions (including kindergartens), attending day or evening classes or taking correspondence courses.

In 1980-84, the number of children accommodated at kindergartens considerably decreased (by 37,000). Between 1981 and 1984, 33,600 new kindergarten places have been created, which made it possible for 89 out of 100 children of kindergarten age to attend kindergartens in 1984.

An annually increasing proportion of children reaching mandatory school age -- 97.9 percent of them in 1984 -- joined organized preparation for school instruction. Some 4,469 new general school classrooms have been built in the first 4 years of the Sixth 5-Year Plan.

The number of general school students, including those taught at institutes for handicapped children, has increased from 1,199,999 in the 1980-81 school year to 1,328,000 in the 1984-85 school year. Some 98.2 percent of the children between 6 and 13 years of age go to school. The number of students receiving institutional provisions (day home, study room, meals, accommodation) outside of tuition hours has increased.

In 1980, 45 percent and in 1984, 54 percent of the students received meals. The proportion of day home students has increased from 38.2 to 42.6 percent. Some 8,600 children live at general school student homes.

Of the children attaining the mandatory school age of 16, 95 percent completed general school in 1980 and 96 percent in 1984.

In 1984, 95-96 percent of those who have completed general school continued to study -- 21 percent at high schools and 72 percent at vocational secondary schools, skilled worker-training schools, or technical schools.

Altogether, 72.2 percent of those between 14 and 17 years of age participated in medium-level instruction in 1980-81 and 71.8 percent of them are participating in 1984-85. In 1980-81, 18.7 percent of the skilled worker trainees and 23.8 percent of the secondary school students lived at student homes, trainee homes, and hostels. Their proportion was 17.2 and 20.5 percent, respectively, in 1984-85.

In 1984, 48,000 passed their skilled worker examinations and 46,400 students graduated from the day section of high school, 25,300 of them from technical secondary school.

Of those who have completed secondary school, 39 percent continued their studies at higher-level educational institutes in 1980 and 38 percent in 1984. (The proportion of first-grade students with parents pursuing a manual occupation is 39.7; it has decreased slightly.)

In 1984-85, 63,200 students are studying at the day sections of the higher-level institutes. Of the population between age 18 and 22, 9.2 percent participated in day-section higher-level instruction in 1980 and 9.9 percent in 1984.

In 1984, 14,507 students obtained diplomas at the day section, 352 less than in 1980.

In 1981-84, 43,111 students obtained diplomas at the evening and correspondence sections of higher-level educational institutes. In the same period, 92,166 students graduated from evening and correspondence sections of secondary schools. In the previous 4 school years, 23,484 people completed the eighth grade at the general schools of the working people. A total of 152,300 people studied at the school of the working people (general and secondary schools) in 1980 and 102,300 in 1984.

The number of people attending vocational courses outside the schools has continued to increase. In 1983, 427,000 people participated in such tuition, 65.1 percent of whom completed extended training courses.

3. Physical Education and Sports

In the period covered by the report, the physical education and sports movement was enriched with almost 4,000 sports establishments, including the building of 440 school gymnasiums and physical training rooms and 70 swimming pools and the completion of the Budapest sports hall. With one exception, there is a sports hall in every county seat. As a result of extensive social collaboration, some 3,000 diverse outdoor sports establishments -- mainly small sports fields -- were created beside schools and in residential areas. With the support of basic organs and councils, numerous sports clubs implemented some commendable development programs. There are gymnasiums at approximately 70 percent of the general schools. Some 2,500 people earned coaching diplomas, and some 200 earned diplomas as sports organizers.

Owing to an improvement of conditions and a favorable change of outlook, interest in leisure sports has increased. The number of people participating in such events and acts has risen. Some 150 residential sports clubs have been established, and 158,000 people participate in physical training courses at their own cost. Organized hikers number 142,000. Despite this, regular physical training is a characteristic feature of few people's way of life. Of the students of general and medium-level schools, only 13 percent regularly take part in sports in their spare time.

The 10,424 departments of the 3,851 sports clubs and student sports circles provide 294,000 registered sportsmen with opportunities to train and compete. The sportsmen are attended to by 1,270 full-time and 13,000 part-time coaches. Some 2,250 full-time sports leaders and organizers are working in the physical training and sports movement. Some 180,000 social activists assist their work. However, the number of registered sportsmen has not been increasing for quite a long time, and the number of sports clubs and sections is decreasing. Our top sportsmen have successfully participated in numerous world competitions. However, international success in competitive sports is not in proportion to allocations and lags behind expectations and possibilities.

4. Public Culture

Libraries

At present, there are 10,010 libraries serving public culture. Some 48 percent of these libraries are maintained by the councils and 52 percent by the trade unions. The number of libraries is 4.6 percent lower than in 1980 because qualitatively unsuitable branches and library depository service facilities have been discontinued.

The number of library books serving public culture has, in the meantime, increased 14.6 percent, exceeding 46.6 million units in 1983. In 4 years, the expenditures allotted for new book purchases increased 21 percent on a national scale. The increase was greatest at the council libraries. The number of registered readers is at the 1980 level -- 2,226,000 people. The number of books loaned has decreased 3.2 percent. Because of changes in library-use habits, reading on the spot and the use of works of an educational and technical literary nature have increased. There are 3,896 full-time librarians working in the system, 10.3 percent more than in 1980.

Because of public administrative changes and the development of dual-function school-public culture libraries, the number of general and secondary school libraries has decreased. Their total number of books has increased 20 percent, consisting of almost 19 million volumes at present. The allotment devoted to increasing the number of books was raised in 4 years by 59.2 percent. At these libraries, the number of registered readers has increased by 21.2 percent and the number of books loaned by 16.2 percent. There are 122 special libraries (fulfilling a nationwide purpose) and 738 technical libraries of another nature in operation in the country. They were able to spend 17 percent more on buying new books than in 1980. The number of registered readers is 2.3 percent lower (408,000 people), and they borrowed 7.5 percent fewer books than in 1980.

Now libraries have been built, among other places, in Szeged and Mosonmagyarovar and at the Karl Marx University of Economic Sciences and the Veterinary Science University. A few branches have been added to the municipal Ervin Szabo Library system. In 1985, a new building of the National Szechenyi Library at the Buda castle palace and the new county library in Bekescsaba have been commissioned.

Cultural Homes

In 1980, the council, trade union, and other organs maintained a total of 2,554 cultural homes. There were 2,524 institutions in 1983 (the number of their locations has increased from 1,035 to 1,148).

The educational events of cultural homes were attended by 4,656,000 people in 1980 and 4,369,000 in 1983. Those attending evening entertainment programs numbered 9 million and 9.1 million, respectively.

Amateur artistic groups numbered 10,274 in 1980, with 207,000 members. There were 9,943 groups with 204,000 members in 1983.

In 1980, there were 5,086 specialized sections in operation, with 152,000 members, at the cultural homes, and in 1983, 5,058, with 145,000 members.

Interest has continued to increase in the clubs and club activities. The clubs operating at cultural homes numbered 5,717 in 1980 and 6,053 in 1983. The number of people participating in activities has increased from 6,226,000 to 6,549,000.

In 1980, 2,431 full-time people's educators worked at council cultural homes and in 1983, 2,699 did so.

Noteworthy establishments have been built in Nyiregyhaza, Sarospatak, Zalaegerszeg, Nadudvar, Godollo, and Budapest, and several renovations have been carried out.

Museums

The number of museums and museum exhibition facilities has increased from 487 in 1980 to 594 in 1984. Of these, 68 serve visitors at the capital, 225 at cities, and 241 at villages. In recent years, an almost identical number of exhibitions have been staged at the museums -- on 2,118 occasions in 1984. At the same time, the number of visitors has increased from 16.2 million in 1980 to 19.2 million in 1984. Significant scientific and research activity is being pursued at the museums. New museums have been established in Kicskemet, Salgotarjan, and Mako, and a picture gallery has been established in Szombathely. The conditions of a few of the buildings housing our significant great collections have deteriorated and their renovation is making slow progress.

Archives

Our archives are storing 1.98 million running meters of unique and irreplaceable historical source materials that date from the founding of the state until the most recent times, one-third of which date from the period following the liberation. A considerable portion of the documentary material from the most recent past is in an endangered condition.

Within the archive system, 2 national and 20 council archives are fulfilling a decisive role. In addition to them, 8 special archives and 37 church archives look after documentary material. New archives have been built in Szolnok. With help of local groups, better storage conditions have been developed in several counties.

5. Literature, the Arts

Literature, Book Publication

The number of books and brochures published has increased from 9,254 to 10,241 and the total number of copies issued from 104.3 million to 118.1 million, while the average number of copies of individual publications (11,300) has not changed. The number of book copies has increased from 94.7 million to 103 million and the number of books published from 8,241 to 9,128.

In 1984, 918 belletristic works were published (757 in 1980), and their copies numbered 19.1 million, compared to 17.7 million previously. Of all the belletristic books published, 548 were the works of Hungarian authors (386 in 1980), and 7.6 million copies of these were published in 1980 and 9.3 million in 1984. Between 1980 and 1984, the number of belletristic works by living Hungarian authors published has increased from 266 to 396 and the number of copies from 4.4 million to 5.8 million. Between 1980 and 1984, the turnover of the book trade has increased from 2.8 to 4 billion forints.

Movies

The feature films shown numbered 220 in 1980 and 193 in 1984; 60.6 and 71 million people, respectively, attended movie theaters.

The number of full-length Hungarian works has not changed in this period. (In 1984, 24 full-length feature films were made for showing at movie theaters; in 1980, 26.) The number of viewers of Hungarian movies has increased from 10.9 to 14.1 million. In 1980, we imported 84 movies from capitalist and developing countries, 37 from the Soviet Union, and 63 from the rest of the socialist countries. In 1984, we imported 104, 29, and 52 movies, respectively, from the above-mentioned countries.

In 1984, 63.9 percent of the country's movie audiences attended movies imported from capitalist countries and 16.2 percent movies imported from socialist countries. Of the total of the audiences, 19.9 percent bought tickets for Hungarian movies.

Opera, Concerts

In the last few years, attendance at the two theaters of the Hungarian State Opera House was affected by the fact that, because of renovation of the Opera House, only the Erkel Theater was in operation. Thus, compared to 1980, 76 performances fewer were staged in 1984. However, with the reopening of the Opera House in 1984, attendance (656,000) almost caught up with the 1980 figure (659,000).

The 2,421 concerts of the National Philharmonic Orchestra were attended in 1984 by 1,128,000 people [as published], which is essentially identical to the 1980 figure.

It is indicative of the rapid spread of recorded music that last year 9.3 million units of sound recordings (phonograph records and program cassettes) were sold in the country, compared to 7.7 million units in 1980. In overall domestic sales, the number of sound recordings that are of outstanding significance to public culture (serious music, literature, folklore, works with an educational purpose) has increased from 1.84 million units in 1980 to 2.53 million in 1984. The development of Hungarian phonograph record production is shown by the fact that compared to 8.3 million records in 1980, 9.8 million were produced in 1984.

The Fine Arts

The number of artistic exhibitions and their visitors increased considerably in the 1981-83 period.

The 1,150 exhibitions staged in 1981 had 2.4 million visitors and the nearly 1,600 exhibitions in 1983 were visited by 3.5 million people.

The Picture Gallery Enterprise sold artistic works valued at 326 million forints in 1980 and at 397 million in 1983, and the Applied Arts Enterprise sold artistic works valued at 454 million forints in 1980 and at 516 million in 1983.

6. Television, Radio, and the Press

In 1984, 1.4 billion copies of the daily newspapers, weekly periodicals, and journals were published. At the end of 1984, subscriptions to press organs totaled 8.8 million, compared to 8.3 million in 1980.

Radio ownership can be said to be almost complete in our country; according to estimates, the population owns almost 6 million radios. In 1984 the number of television subscribers was close to 2.9 million. Ninety-five percent of the population listen to the radio and 94 percent watch television.

On a weekly average, the duration of radio broadcasting has increased 25.8 percent as compared with 1980. The three transmitters together broadcast 414 hours of programs weekly. Of the programs broadcast, 26 percent are of a political nature, 71 percent are cultural, entertainment, or educational, 2 percent relay sports events, and 1 percent is advertising. Weekly, almost 16 percent of the adult population and 26 percent of the young people listen to radio programs. Reception of radio programs has not improved essentially in recent years. Radio Kossuth can be received in 93 percent of the country's area, Radio Petofi in 90 percent, and the third program in 93 percent. It may be possible to create more favorable conditions for receiving programs in the coming years. In October 1984, the Radio Petofi program began 24-hour broadcasting on the ultra-short-wave band.

At present, Hungarian Television transmits on 2 channels an average of 91 hours of programs weekly. Of the programs transmitted, 26 percent consist of political, and 61 percent of cultural, educational, or entertainment programs, the proportion of relays of sporting events is 10 percent, and advertising involves 3 percent. Hungarian Television produces almost three-quarters of the programs -- 7,000 program units [eguseg]. Thirty percent of the programs are repeated. In 9 years, the duration of the transmission of programs in color has increased sixfold; it is now 80 percent of the total duration of transmission. (The proportion of color television sets is approximately 12 percent.) The duration of transmission of the second channel has increased 2 and 1/2 times. The establishment of regional studios at Pecs and Szeged and the launching of Budapest regional transmission were noteworthy results of the recent period. City cable television viewing is spreading.

VIII. Foreign Policy, International Relations

1. Conferences of Major Importance of the Warsaw Pact Countries

14-15 May 1980, Warsaw

On the 25th anniversary of the establishment of the defense alliance of the socialist community, the Political Consultative Committee of the Warsaw Pact endorsed a statement on timely aspects of the struggle waged for European detente and security and the consolidation of world peace.

5 December 1980, Moscow

Party and state leaders of the Warsaw Pact states exchanged views on developments of the international situation, the significance of enlivened contacts between states with different social systems and the dialogue pursued on the most important international problems.

The participants in the conference welcomed the commencement of the work of the Madrid meeting and reiterated the socialist countries' readiness to contribute to consolidation of peace, continuation of the policy of detente, and the settlement of conflicts through negotiations.

1-2 December 1981, Bucharest

The Warsaw Pact Foreign Ministers Committee reviewed the status of the arms limitation and disarmament negotiations in progress, as well as the course of the Madrid meeting of representatives of the states taking part in the European security and cooperation conference.

21-22 October 1982, Moscow

The Warsaw Pact Foreign Ministers Committee conducted an exchange of views on aspects of the consolidation of European peace and security and the development of detente and international cooperation, as well as on other timely problems of international security.

4-5 January 1983, Prague

In a political declaration, the Political Consultative Committee of the Warsaw Pact states submitted to the NATO states -- in the interest of preserving peace, consolidating international security, and continuing the detente process -- proposals on arms limitation and disarmament pertaining to all spheres of armament. The committee proposed to the member-states of NATO the conclusion of an agreement on the mutual renouncement of the use of force and the maintenance of peaceful relations.

6-7 April 1983, Prague

At the conference of the Warsaw Pact Foreign Ministers Committee, issues pertaining to the realization of the Political Consultative Committee's proposals were reviewed at prevention of nuclear war, continuation and strengthening of the detente process, promotion of disarmament, the consolidation of security, and the development of cooperation in Europe and throughout the world.

28 June 1983, Moscow

Party and state leaders of seven European socialist countries approved a joint statement on the international situation, which has become more tense because of preparations for a planned deployment of U.S. intermediate-range nuclear missiles in a few NATO countries. The signatories of the document came out in favor of ensuring a balance of strength at the lowest possible level of armaments and affirmed their countries' readiness -- adhering to the spirit and letter of the Helsinki Final Act -- to continue to develop relations with other countries on the basis of peaceful coexistence.

13-14 October 1983, Sofia

The Warsaw Pact Foreign Ministers Committee reviewed events that affect the international atmosphere, with particular regard to the development of the situation in Europe.

The communique endorsed at the conference again called attention to the previous comprehensive proposals of the Warsaw Pact that, in the interest of preventing a nuclear war, are aimed at halting the arms race, promoting disarmament and detente, and consolidating peace and security in Europe.

19-20 April 1984, Budapest

The Warsaw Pact Foreign Ministers Committee examined the situation that has arisen in Europe with the deployment of U.S. intermediate-range nuclear missiles in a few NATO states and, in a jointly endorsed communique, urged a substantive and constructive response by Western partners to the disarmament proposals previously submitted by the Warsaw Pact at, among other forums, the Stockholm Conference on Confidence-Building Measures and Security and Disarmament in Europe.

3-4 December 1984, Berlin

The Warsaw Pact Foreign Ministers Committee emphasized that the European situation has been further aggravated by the fact that deployment of U.S. intermediate-range missiles in a few West European NATO countries continues, which has opened a new and particularly dangerous phase of the arms race on our continent. The ministers welcomed the agreement between the USSR and the United States on negotiations encompassing the entire sphere of issues of nuclear and space armament.

Other Conferences

In the period that has elapsed since the 12th MSZMP Congress, parliamentary representatives of the Warsaw Pact at regular consultative meetings analyzed timely aspects of the international situation and addressed joint proposals to parliaments and parliamentary representatives of NATO and other countries of the world, urging continuation of the dialogue and steps toward halting the arms race, disarmament, and mutually advantageous cooperation among states.

In the period covered by the report, in the interest of the accomplishment of the tasks received from the Political Consultative Committee, regular sessions were held, in accordance with its internal order of procedure, by the Warsaw Pact Defense Ministers Committee.

2. CEMA

In the period that has elapsed since the 12th congress, economic cooperation among CEMA countries focused, as before, on accomplishment of the major tasks laid down in the comprehensive program and the long-term special cooperation programs that go into specific details.

The scheduled CEMA sessions of the heads of governments were held each year. An extraordinary session was also held in Moscow in 1984, at which measures were taken for the implementation of the resolutions of the high-level CEMA economic conference. The CEMA Executive Committee has held 20 sessions since March 1980. The CEMA cooperation and permanent committees also held regular sessions.

In the last 5 years, the CEMA countries concentrated their attention on comparing 5-year economic development plans, coordinating technical development policy, satisfying energy and raw material requirements, pursuing cooperation that ensures rational use of energy and raw materials and the better supply of foodstuffs to the population, and further expanding and intensifying specialization and joint venture activity in the processing industry.

Significant multilateral cooperation agreements have been concluded in the most important spheres of modern technology: development and mutual transfer of new computer technological devices, establishment of a homogeneous electro-technological component base and digital transmission technology system, development and application of industrial robots and microprocessor technology, and production of the high-purity materials and technological equipment required for manufacturing microelectronic elements.

The implementation of the previously concluded production specialization and joint ventures agreements continued, including, for instance, the agreement on multilateral international specialization in production of nuclear power plant installations and their mutual transfer.

The Executive Committee and the other CEMA organs regularly held consultation on current issues of the countries' economic policy, on topical problems of cooperation, in development of production specialization and production cooperation, issues of economic cooperation between CEMA countries and developing countries, and implementation of previous decisions, action programs, and agreements in force.

In the period between the two congresses, international interest in CEMA cooperation further increased. The circle of countries cooperating with CEMA on the basis of bilateral agreements expanded, and a cooperation agreement was signed between CEMA and Nicaragua. The number of countries participating as observers in the meetings of certain CEMA organs also increased. Talks were held on CEMA-EEC relations.

The high-level economic conference held in Moscow in June 1984 with the participation of the first and general secretaries of the CEMA countries' communist and workers parties was an outstanding event of economic cooperation. The basic goal of the conference was to work out and adopt measures to serve, under the changed conditions of economic construction work, the further deepening of cooperation among the member-states. The conference reviewed the economic situation that had emerged in the world and in the countries of the community, and the results of and obstacles to cooperation, and outlined the further tasks.

The conference concluded that in the past 1 and 1/2 decades, the CEMA countries have achieved remarkable results in the development of their economies, and their multilateral economic, scientific-technological cooperation expanded. Important economic projects -- serving mainly the improvement of material and energy supplies -- were created with joint efforts. Mutual exchange of goods increased considerably. Specialization and production cooperation among our countries widened in processing industry, primarily in the machine industry. The changed external and domestic conditions of economic construction work have at the same time had an effect on the pace and methods of development of economic integration and development of the system of means and institutions for cooperation, and have caused deferments in the main points of implementation of the comprehensive program.

The most important task of the high-level conference was to promote the increase of cooperation within CEMA to a higher level, and to outline the strategic goals and tasks that will lay the foundations for the long-term economic development of the member-countries.

Among the main lines of action, the most important are: strengthening the practice of consultations aimed at synchronization of the member-countries' economic policy; further developing coordination of national economies; setting out the main points in economic development strategy and the socialist international division of labor, including the reliable fulfillment of energy and raw material requirements, the deepening of cooperation in manufacturing industry, a better supply of food and industrial consumer goods to the population, and development of transportation; improving scientific-technological cooperation; and perfecting the operational mechanism of CEMA and modernizing its asset structure.

The communique approved at the CEMA high-level conference concerning the main trends of further development of economic and scientific-technological cooperation is in harmony with the interests and efforts of our country and of the entire community. The communique contributes to improving balanced and dynamic development conditions in the member-countries, to increasing the efficiency of economic activity, and to accelerating of technological progress.

3. Bilateral Interstate Relations

The Hungarian People's Republic maintained diplomatic relations with 126 countries on 1 April 1980. Since then, we have established diplomatic relations with a further four countries (Republic of Botswana, Dominican Republic, Kingdom of Lesotho, and Republic of Zimbabwe). At present we have diplomatic relations at ambassador level with 129 countries and at a general consular level with 1 country. The contractual bases of our bilateral relations have further expanded. Since the 12th MSZMP Congress, we have signed 122 bilateral interstate and intergovernmental agreements with the socialist countries, 76 with the developing countries, 65 with the developed capitalist countries; a total of 263 new agreements.

Our Relations With the Socialist Countries

Since the 12th MSZMP Congress there have been 47 official bilateral talks with 12 socialist countries' leaders, with the participation of the first secretaries and general secretaries of our parties' central committees and state and government leaders. Within this, we have held exchanges of views 14 times with the highest level party and state leaders of the USSR, 7 times with the CSSR, 5 times each with Bulgaria and the SFRY, 4 times with the PPR, 3 times each with the GDR and the PRK, 2 times with Romania, and 1 time with the DPRK, Laos, Mongolia, and Vietnam, respectively.

Hungarian parliamentary delegations paid official visits to the USSR, Bulgaria, the CSSR, Yugoslavia, Cuba, Mongolia, and the GDR and we hosted parliamentary delegations from the USSR, Bulgaria, the CSSR, the PRK, the DPRK, Cuba, and Poland.

Additional new agreements and treaties concluded with socialist countries since the 12th MSZMP Congress contributed to the further development of our relations and multifaceted cooperation in all spheres of life.

To increase the effectiveness of our relations and cooperation based on mutual advantage, numerous visits and working meetings took place involving representatives of fraternal socialist countries at the level of deputy premiers and departmental ministers and at other state levels.

In the period that has elapsed since the 12th congress, our interstate relations with the PRC have become livelier and are stabilizing at departmental ministerial level.

Our Relations With Countries of the Developing World

In the period between the two congresses, our country was visited by the head of state of Afghanistan, the president of Algeria, the president of Angola, the president of Burma, the head of state of the People's Democratic Republic of Yemen, the emir of Kuwait, the president of Libya, and the head of state of Nigeria.

The chairman of the Presidential Council visited Burma, Ethiopia, the Philippines, Indonesia, the People's Democratic Republic of Yemen, Kuwait, Mozambique, Tanzania, and Zambia.

The heads of the governments of Grenada, Nicaragua, New Zealand, Zambia, and Zimbabwe and the vice president of Brazil had talks in our country.

Our Relations With Capitalist Countries

In the period between the two congresses, official visits were paid to our country by the prime minister of the Kingdom of Belgium, the president of the Republic of Cyprus, the president and prime minister of the Republic of Finland, the president and prime minister of the French Republic, the vice president of the United States, the prime minister of Great Britain, the prime minister of the Hellenic Republic, the prime minister of the Republic of Malta, the chancellor of the FRG, the prime minister of the Kingdom of Norway, the prime minister of the Italian Republic, the federal chancellor -- on two occasions -- of the Republic of Austria, and the prime minister of the Republic of Turkey.

Comrade Janos Kadar visited Finland, France, and the FRG. Comrade Pal Losonczi paid official visits to the Republic of Cyprus and to Portugal and, at a frontier meeting, had talks with the president of the Republic of Austria. Comrade Gyorgy Lazar paid official visits (on two occasions) to Austria, as well as to the Kingdom of Denmark, Greece, the FRG, and Turkey.

4. Activity of the Hungarian People's Republic in International Organizations

On behalf of the Hungarian People's Republic, various Hungarian bodies, organizations, institutes, and experts participate in the work of almost 1,000 government-level and international organizations. The United Nations Organization is of outstanding significance among them. Within the UN framework, during the period covered by the report, official representatives of our country held 25 elected functions in the executive bodies of various specialized agencies, leading bodies, and committees, 10 of them being elected in their personal capacity to various bodies. For 1 year during this period, a representative of the Hungarian People's Republic was president of the UN General Assembly. A representative of our country was for 1 year chairman of the UN Economic Commission for Europe and a representative of our country was for 2 years director general of the World Intellectual Property Organization.

Recognition for the activity of the Hungarian People's Republic in international cooperation is shown by the fact that numerous UN organs and special agencies have chosen Hungary as the scene for various conferences. The number of leading UN officials who visit our country has increased in recent years. Those who have visited and had talks in Hungary include the following: the directors of FAO, the World Intellectual Property Organization, WHO, the UN Industrial Development Organization, the UN Fund for Population Activities, the IAEA, and the UN Commission on Human Settlements; the executive secretaries of the ECE, the World Tourism Organization, and the International Telecommunications Union; and the director of the Commission for Social Development and Humanitarian Affairs.

The visit of UN Secretary General Javier Perez de Cuellar to Hungary in 1984 was of outstanding significance.

5. International Cultural and Scientific Relations

In 1984, the Hungarian People's Republic cooperated, on the basis of intergovernmental cultural and scientific agreements, work plans, or other contracts, with 74 countries. Numerous additional countries have been reached by the results of Hungarian culture and science.

Hungarian cultural institutes abroad are fulfilling an important role in acquainting people with our cultural values and social, economic, and scientific results. In addition to our institutes already in operation in Berlin, Prague, Sofia, and Warsaw, as well as in Vienna, Paris, Rome, and New Delhi, a Hungarian cultural center has been established in Helsinki as well.

In the last 5 years, the institutes put on display 246 fine art and 56 documentary exhibitions, showed Hungarian feature films on 3,300 occasions, and staged 240 concerts.

Cooperation with the socialist countries was characterized by systematic, even development and mutual enrichment. The practical implementation of the objectives laid down in interstate cultural agreements is served by work plans valid for 5 years in the case of nine socialist countries and 2-3 years in the case of others. In the 1984-85 school year, 1,076 Hungarian students are attending high-level educational institutes of socialist countries, 709 of them in the USSR. Some 1,500 Hungarian and Soviet college students participate annually in summer production practice in each other's country. In 1984, 296 people obtained diplomas at socialist countries' high-level educational institutes.

In 1980 we maintained relations on the basis of interstate cultural and scientific agreements with 41 developing countries (13 Arab, 7 Asian, 12 black African, and 9 Latin American). The sphere of contractual agreements grew with three additional countries (Colombia, Nicaragua, and Mozambique) in the last 5-year period. We have renewed our intergovernmental cooperation work plans with 25 countries. Hosting students of developing countries (primarily socialist-oriented countries) for the entire duration of their university studies has declined numerically, but is still a central part of relations. The foreign students studying at Hungarian high-level educational institutes numbered 2,742 in the 1980-81 school year and number 2,520 in the 1984-85 school year. We host on the average 200 people annually for training as postgraduate students from developing countries.

Of the developed capitalist countries, our cooperation was regulated with eight by intergovernmental treaties, work plans, or other agreements in 1984. With an additional six developed capitalist countries, interinstitute and foundation agreements or pledges serve the development of relations. With eight capitalist countries, separate scientific-technological agreements promote cooperation based on mutual interest.

Austria was the first of the developed capitalist countries with which we concluded an interstate agreement on mutually recognizing high-school diplomas and university studies and grades.

In 1983, books by Hungarian authors reached 35 countries in Hungarian and 55 in foreign languages through our cultural foreign trade organs. Of the turnover, the share of the USSR and other socialist countries was the greatest.

In 1983, 45 percent of the Hungarian feature films sold for showing abroad were bought by socialist countries and 55 percent by nonsocialist countries. The Hungarian movies shown at international film festivals numbered 72 in 1980 and 88 in 1983.

Between 1980 and 1984, we put on display in 85 countries 365 fine arts and 162 documentary exhibitions, and there were 268 foreign fine art and 64 documentary exhibitions staged in our country. Hungarian cultural weeks or days were held in 22 countries. Some of the events staged by us were related to our outstanding historical and cultural anniversaries, for example, the liberation holiday, the Bartok, Kodaly, and Madach centennials, and the anniversary of the birth of Sandor Korosi of Csoma.

Our press bureaus -- which operate in five countries -- and foreign-language press organs are fulfilling an important role in the sphere of propaganda aimed abroad. The Russian, Polish, and Spanish journal MAGYAR SZEMLE is an instrument of written propaganda vis-a-vis the socialist countries.

Information for tourists coming from socialist countries to our country is supplied by the 5-language MAGYAR HET and information for English and German-speaking visitors by the DAILY NEWS and NEUESTE NACHRICHTEN. Supplying information to people abroad -- primarily to people who inform others -- is contributed to by our selective periodicals HUNGARIAN DIGEST and REVUE DE HONGRIE, the German-language BUDAPESTER RUNDSCHAU, and the English-language NEW HUNGARIAN QUARTERLY. Journalists visiting us are informed by Pressinform.

The General Service of Hungarian Radio's Foreign Broadcasts transmits more than 120 hours of programs a week for foreign countries in five languages, and the staff of the "Homeland" program disseminates radio propaganda in the Hungarian language for the circle of emigrants. "Hungarian News," which serves as information for emigrants, also publishes an English language supplement. The "Budapest" press agency operating within MTI, in addition to regular publications, annually sends several hundred articles in various languages, to partner agencies, and beginning in 1984 it started to publish a yearbook.

6. Participation in Hungarian Social Organizations and Movements in the Most Important International Conferences

Trade Union World Conference on Development (Belgrade, 1980)
People's World Parliament for Peace (Sofia, 1980)
17th European Students' Meeting (Brno, 1980)
13th Congress of the International Students Union (Berlin, 1980)
World Congress of Women (Prague, 1981)
Fourth European Trade Union Conference (Geneva, 1981)
Third World Conference of Auto Industry Workers (Paris, 1981)
World Conference of Transportation Workers (Damascus, 1981)
Fourth Conference of Popular Front Organizations of the Socialist and Socialist-Oriented Countries (Havana, 1981)
Youth World Forum of Disarmament (Helsinki, 1981)
18th European Students' Meeting (Vienna, 1981)
10th Trade Union World Conference (Havana, 1982)
World Conference of Textile Industry Workers (Berlin, 1982)
World Conference of Iron Workers (Moscow, 1982)
World Conference of Civil Service Workers and Affiliate Professions (Prague, 1982)
19th European Students' Meeting (Minsk, 1982)
11th WFDY General Meeting (Prague, 1982)
Anti-Apartheid World Conference [as published] (Geneva, 1983)
WFTU Conference Against Chemical Weapons (Ho Chi Minh City, 1983)
World Assembly for Peace and Life, Against Nuclear War (Prague, 1983)
Conference of the Socialist Countries' Trade Union Leaders on Euromissiles (Prague, 1984)
Conference on Security and Disarmament in Europe Organized by the International Liaison Forum of Peace Forces (Stockholm, 1984)
Sixth Congress of the Afro-Asian Peoples' Solidarity Organization (Algiers, 1984)
14th Congress of the International Students Union (Sofia, 1984)
20th European Students' Meeting (Les Arcs, 1984)
World Meeting of Working Youth (Moscow, 1984)
Meeting of the Socialist Countries' Women's Organization Leaders for Peace and Against Nuclear War (Sofia, 1984)
Conference of European, U.S., and Canadian Women's Organizations for Peace (Berlin, 1984)

KADAR LEADS DELEGATION TO WARSAW PACT MEETING

LD251439 Budapest Domestic Service in Hungarian 1400 GMT 25 Apr 85

[Excerpts] The party and state leaders of the Warsaw Pact member-states are expected in the Polish capital. Our reporter Geza Foldvari reports from Ferihegy Airport:

A Hungarian party and government delegation headed by Janos Kadar, general secretary of our party, left Ferihegy for Warsaw at 1545 to attend the meeting of the highest-level party and state leaders of the Warsaw Pact member-states.

The members of the delegation are as follows: Gyorgy Lazar, MSZMP Politburo member, Council of Ministers chairman; Matyas Szuros, Central Committee secretary; Peter Varkonyi, member of foreign affairs; Colonel General Istvan Olah, minister of defense; and members of the party Central Committee.

Those present at Ferihegy Airport to bid farewell to the delegation included Karoly Nemeth, MSZMP deputy general secretary, Istvan Horvath, Central Committee secretary, Iajos Czinege, Council of Ministers deputy chairman, as well as several other representatives of the Central Committee and government. Jerzy Zielinski, Polish ambassador to Hungary was also present.

Our delegation has now left for the Polish capital to sign, on the basis of the authorization given at the recent session of the National Assembly, the extension of the term of validity of the Warsaw Pact concluded 30 years ago.

COUNCIL OF MINISTERS SESSION HELD 25 APRIL

LD252240 Budapest MTI in English 1743 GMT 25 Apr 85

[Text] Budapest, April 25 (MTI) -- At the Thursday's session of the Hungarian Council of Ministers Gyorgy Lazar gave a report on the official, friendly visit of Constantin Dascalescu, chairman of the Council of Ministers of the Socialist Republic of Romania. The government approved the report.

On the basis of the report of the National Planning Office, the government discussed the implementation of the annual plan. It was stated that making up for less production and surplus expenses was being carried out successfully but the implementation of scheduled targets required more effort and more efficient and economical management. The Council of Ministers requested ministries to call on economic units to promote the implementation of planned target by supporting the initiatives of workers' communities.

The government approved measures to improve coal mining, and determined guidelines on targets to be achieved in the 7th Five-Year Plan period.

Transport in Budapest and the five biggest cities of the country was discussed. It was stated that the maintenance of the present level of public transport, the meeting demand for labour and modernization of vehicle stock required further measures. [sentence as received]

FALUVEGI LEAVES FOR MOSCOW PLANNING TALKS

LD252202 Budapest MTI in English 1746 GMT 25 Apr 85

[Text] Budapest, April 25 (MTI) -- Lajos Faluvegi, vice-chairman of the Hungarian Council of Ministers and president of the National Planning Office, left for Moscow Thursday, 25 April, on the invitation of Nikolay Baybakov, vice-chairman of the Soviet Council of Ministers and chairman of the State Planning Committee, to discuss planning cooperation.

FINANCE MINISTER HETENYI HOLDS TALKS IN FRANCE

LD252357 Budapest MTI in English 1721 GMT 25 Apr 85

[Text] Budapest, April 25 (MTI) -- A Hungarian delegation, headed by Minister of Finance Istvan Hetenyi, paid an official visit to France from April 22 to 25 on the invitation of Pierre Beregovoy, minister of economy, finance and the budget.

The parties surveyed topical international financial issues, and bilateral financial and commercial relations, and exchanged views on financial management systems. It was agreed that every effort must be made for the further expansion and deepening of cooperation. Istvan Hetenyi met Michel Camdessus, governor of Banque de France, and managers of commercial banks that have relations with Hungary.

Istvan Hetenyi returned to Hungary Thursday.

INDUSTRY MINISTER KAPOLYI RETURNS FROM ITALY VISIT

LD260003 Budapest MTI in English 1052 GMT 25 Apr 85

[Text] Budapest, April 25 (MTI) -- Hungarian Minister of Industry Laszlo Kapolyi today returned from Rome where he was paying a visit on the invitation of Minister of Industry Renato Altissimo.

The ministers reviewed the industrial contacts of the two countries and appointed areas where the development of cooperation was desired.

Laszlo Kapolyi held talks with Minister of Foreign Trade Nicola Capria, Secretary of State for Foreign Affairs Bruno Cortiolas, and Luigi Lucchini, president of the Italian Manufacturers' Association. He met also managers of IEI, ENI, Fiat, Italtel, Olivetti and other companies that maintain important business contacts with Hungarian companies.

FORMER PREMIER HEGEDUS ON REFORM IN THE USSR

PM250805 Rome LA REPUBBLICA in Italian 23 Apr 85 p 10

[Interview with former Hungarian Premier Andras Hegedus by Andrea Tarquini in Budapest; date not given]

[Excerpt] Budapest -- [Tarquini] You talk about hope; your famous optimism never dies. But can Gorbachev really reform this system? What is there to push him in that direction?

[Hegedus] I do not yet know whether Gorbachev will be a reformer, though in recent weeks some of his initiatives on the domestic front -- the appeals for efficiency and discipline, the reference to "socialist managers," and the reshuffles within the apparatus -- can prompt optimism. Certainly reform is possible in the USSR inasmuch as it is necessary. The USSR is a huge country and it will take time, a long time. But if, instead of reforming, everything is left as it is now, the gap with the West could become intolerable in the long term. And so, too, perhaps, would the two challenges from East and West of the empire -- that from the major Chinese reforms, and that from an Eastern Europe always inclined toward attempts at economic reform and sensitive to the centrifugal attraction of relations with the West. Deng's reforms -- and to a minor extent Hungary's, too -- will influence the USSR's future.

[Tarquini] So do you agree with the gloomiest analyses coming from Washington or from emigres?

[Hegedus] I would not say so. What I am saying is, for instance, that the GNP of all the Warsaw Pact countries together is roughly equivalent to one-third of the total of the major Western countries, that little Japan, with half the USSR's population and no natural resources, is now hard on the socialist superpower's heels in all industrial sectors, that Soviet agriculture even lacks surfaced roads to carry seed, fertilizer, crops, and supplies. Shall I go on? Before the war living standards of Austria and Hungary were more or less the same. Now -- despite our reforms, mind you -- the gap is widening to our detriment. Not to mention the arms race, with its frightening costs, which is the greatest problem.

[Tarquini] So is the most threatening aspect of the USSR also its greatest weakness?

[Hegedus] First, it is easy to reckon that if the gross product of the socialist camp is one-third that of the West, it costs us three times as much to ensure military parity as it does you; it places three times the burden on our economies as the costliest Western programs place on yours. As if it were not enough that in many Eastern bloc countries investments are falling (and so are living standards) because we are striving not to accumulate too many debts, military spending deprives development of vast resources. It is an intolerable burden for the Soviet economy and indeed for that of a small country like mine. I am thinking not only of the cost of armaments but also of the thousands and thousands of specialists denied to the civilian sector. Partly because, paradoxically, military industry provides more work and pays better here, too, the incentives system is more advanced than in the civilian sector. But, unlike in the West, the technological spinoffs for the consumer goods industry are negligible if not nonexistent.

[Tarquini] Do you mean that in the USSR the "military-industrial complex" is the major constraint on reform?

[Hegedus] No, definitely not. Fortunately that is not the case. On the contrary, I am well enough acquainted with the Soviet Union to be able to say that the military and more generally the leaders responsible for national defense and strategic matters have a sufficiently broad view of the country's real security requirements. That is, they know that even the most modern weapons are not enough to defend the system and that missiles, bombers, and submarines would be virtually or totally useless against a serious domestic crisis, against an explosion, so to speak, against something like what my country had to go through, but on a planetary superpower scale. No, the enemies of reform lurk not within the "stavka," the military command, but elsewhere.

I have in mind much less important and much more numerous people -- the thousands and thousands of small and medium state and party officials who have built their power and their very lives on the pillars, niches, and foundations of the bureacratic system.

Try putting yourself in their shoes: Would you be willing, after years and years, to stand aside to make way for a skilled manager, to accept the petty but irksome rival power of a private producer freed from the obligation of dependence on rubber stamps and state warehouses? Look, the other day I glanced at an official Hungarian opinion poll. Do you know, the poll asks who are the Hungarians most hostile to reform? They are trade union militants, card-carrying workers.

[Tarquini] How strong is this counterreformist current?

[Hegedus] Definitely stronger in the USSR than in Hungary. However, even here it is strong enough to allow the trade union president, Sandor Gaspar -- one of the major adversaries of reform -- to pension off his rival who, at 55, is much younger than him. You see, reforms impinge on the structures of society, for better or worse. There is inequality in the bureaucratic system -- inasmuch as those holding political power are better off. Reform, however, enables the most active to work harder and prosper.

[Tarquini] Are these Gorbachev's problems too?

[Hegedus] Luckily for him, Gorbachev is fully acquainted with the problems of agriculture, because it could prove easier for a reform of the USSR to proceed from there. If Gorbachev were to decide to restructure heavy industry and the military sector he would be in danger of affecting both strategic priorities and delicate balances, at a time when control over the party is already a problem. Who knows? Maybe the reform will originate from the kolkhozes or from the southern regions. I am thinking of Georgia or Azerbaijan, where to some extent a Hungarian-style "second economy" already exists. How extraordinary for a reform to start from the south!

[Tarquini] Your optimism is always surprising. Does not the devolution of economic power imply the creation of new political demands?

[Hegedus] Certainly this is a serious problem for the future. I mean that a reformed economy, by creating centers of independent production, also lays the foundations for political pluralism without private ownership. But let us be careful: There is no question of envisaging a multiparty system. The bureaucratic system cannot tolerate the rivalry of several parties or of alternative centers of political power: Poland's tragedy reminds us of this. No, the heroes of reform are neither dissidents nor Walesa-style trade unionists. They are people like Budapest's 3,000 private taxi drivers, who have wrested themselves from bureaucracy and their customers from the inefficiency of state service.

[Tarquini] Let us return to Moscow. There all the taxis are state-run, so who can Gorbachev count on if not on the taxi drivers?

[Hegedus] I admit that there, perhaps, the reformist current is not as strong as in our country. But I am optimistic about that too. Within Soviet society a generation is emerging that is more cultured, better educated and trained, and more prosperous than its forebears. They are the offspring of people who have lived in the cities for some time, the second or third urban generation.

Their parents or grandparents owed the party their good fortune in coming to the city, but these contemporaries of ours do not. They are people whom I have seen at work for the past 20 years in universities and academies -- capable, active, and ambitious people who are now much closer to power.

Moreover, the spearhead of the "reformist party" in the USSR is composed of a characteristic and very Soviet group -- the academicians, especially Aganbegyan and the others from Novosibirsk. Has it not been said ad nauseam that the Academy of Sciences is so strong that Sakharov was not expelled from it even following his exile to Gorkiy? So -- the academies, the urban generation, and a little of Zinovyev's Moscow.

[Tarquini] Assuming that they succeed, will they produce a new ideology, a new culture? They need it in order to succeed....

[Hegedus] Yes, this is a serious problem. Paradoxically, just as this urban class, this backbone of the demand for reform, was growing, the revisionist currents were declining throughout the Eastern bloc. All attempts at a political reform of the system came to nothing -- and tragically so, from Dubcek's Prague to Jaruzelski's Warsaw. Paradoxically, the system's ideology remains aggressive, whereas a reformed socialism would have to free itself from the agressive, messianic connotations of Marxism-Leninism. Thus we return to the problem of disarmament. Without a disarmament accord, ideologies will become more aggressive; without a disarmament accord there will be neither the impetus nor the resources for development and reform. I do not even want to think about the economic and political costs for the USSR of a "star wars" race....

BUDAPEST RADIO SUMMARIZES GORBACHEV'S CC REMARKS

LD252156 Budapest Domestic Service in Hungarian 2000 GMT 23 Apr 85

[Correspondent Ilona Baranyai dispatch]

[Text] The 27th CPSU Congress is slated to be convened on 25 Febraury 1986. This was decided at today's meeting of the Central Committee. Our correspondent Ilona Baranyai has sent a dispatch about the details of the Central Committee session:

[Begin Baranyai recording] In his speech Mikhail Gorbachev noted that besides the substantial results achieved in the development of the country in recent times, it is necessary to speed up development significantly to overcome the difficulties that have also arisen. Intensifying the economy and implementing scientific-technological progress must also be speeded up. Management and planning must be improved and reshaped, discipline and organization are to be increased, and the working style must be improved in the USSR. The basic thrust of the implementation of strategic tasks is to be strengthened with prompt and energetic measures, while a bolder advance is envisaged in the extension of the rights and independence of enterprises.

Gorbachev also called attention to the fact that the whole of agriculture must be further developed, because the favorable changes brought about so far are not yet adequate. The party will continue to pay great attention to improving people's living and working conditions; in the carrying out of important tasks, it will rely on the creative talent and work of the people.

Moving on to foreign policy issues, Gorbachev referred in his speech to the victory over fascism and noted that the CPSU and the Soviet Government are firmly pursuing the policy of peaceful coexistence and are striving for equal, correct, and civilized interstate relations based on respect for international legal norms. Gorbachev described the military-strategic balance with NATO as an important historic achievement of the socialist community and pointed out that the Warsaw Pact plays an important part in the strengthening of international security. He proposed that the countries which signed the Helsinki Final Act 10 years ago should once again express their intention of striving to overcome tension and expand peaceful cooperation. He assessed the first round of the Soviet-American talks in Geneva by noting that Washington, hoping for military superiority, was not striving for an agreement with the USSR. If Washington were to modify its current stance, then the way would be open for mutually acceptable agreements, General Secretary Gorbachev stressed in his speech. [end recording]

CURRENT CENTRAL COMMITTEE OFFICIALS LIST PUBLISHED

AU241529 Budapest PARTELET in Hungarian No 4, 85 p 37

[Excerpt] Heads of Working Committees and Departments of the Central Committee

Director of the Economic Policy Committee operating alongside the Central Committee: Ferenc Havasi; members: Laszlo Ballai, Lajos Faluvegi, Laszlo Gal, Imre Pardi, Pal Tetenyi.

Director of the Agitation and Propaganda Committee: Janos Berecz; members: Leard Pal, Judit Csehak, Istvan Hars, Istvan Huszar, Mihaly Kornidesz, Bela Kopeczi, Erno Lakatos, Sandor Lakos, Ferenc Pusztai, Katalin Radics.

Director of the Party Building Working Collective: Karoly Nemeth; of the Economic Working Collective: Ferenc Havasi; of the Cooperatives Policy Working Collective; Ferenc Havasi; of the Educational Political Working Collective: Lenard Pal; of the Youth Committee: Karoly Nemeth.

Director of the Agitation and Propaganda Department Erno Lakatos; of the Economic Policy Department: Laszlo Ballai; of the Public Administration and Administration Department: Peter Varga; of the Office of the Central Committee: Miklos Ovari; of the Foreign Affairs Department: Geza Kotai; of the Party and Mass Organizations Department: Istcan Petrovszki; of the Party Management and Administration Department: Laszlo Karakas; of the Scientific, Public Education, and Cultural Department: Katalin Radics; rector of the Political Academy: Jozsef Szabo; director in chief of the Sociology Institute: Gyorgy Aczel; director of the Party History Institute: Istvan Huszar.

Heads of the central party press: chairman of the Editorial Committee: Valeria Benke; editor in chief of PARTELET: Sandor Lakos; the position of the editor in chief of NEPSZABADSAG will be filled by the Central Committee at a later date.

WARSAW PACT MUST RESPOND TO NATO CHALLENGE

LD252304 Warsaw Domestic Service in Polish 1700 GMT 25 Apr 85

[Commentary by Andrzej Zychowicz]

[Text] Today, the eyes of the world turn toward Warsaw, because 30 years ago the leaders of the European socialist states made a decision to establish a defensive coalition in response to NATO's policy and arms.

Now, 30 years later, leaders of the Warsaw Pact states are meeting to assess the international situation and make important decisions for the security of socialist states, for European stability, and for peace. As happened 30 years ago, the Warsaw summit meeting is being held during a crisis in East-West relations, while the arms race continues in Europe.

In 1955 the Bundeswehr reinforced the NATO forces. The FRG found itself in the Atlantic alliance contributing not only its military participation but its program for the revision of frontiers. Today, in 1985, rockets and Pershing II and cruise missiles with nuclear warheads are deployed in the FRG, and the Bonn government supports the American concept of research on militarization of space. West Germany has become a pillar of NATO's military system.

Thus a response must be made again to the challenge carried by the NATO policy. In the military sphere, the response is a strengthening of the defense system of the Warsaw Pact states, in the political sphere it is efforts for a gradual slowing down and reduction of arms, and in the economic sphere it is a policy of cooperation on equal rights.

The first round of disarmament talks has ended in Geneva, one in which two concepts have clashed. The concept represented by the USSR aims at basing negotiations on the principle of equal security for each side and a balance of forces. The second, American concept provides for the achievement of strategic superiority by NATO states over the Warsaw Pact.

Summit meetings of the Warsaw Pact have always added to international life the much needed element of stability; they have become a platform on which new, essential political initiatives have been undertaken, initiatives compatible with the strategy of peace which has been written into the Warsaw Pact as a fundamental principle.

PZPR CALLS ON MEMBERS FOR 1 MAY SHOW OF SUPPORT

LD252111 Warsaw Domestic Service in Polish 1800 GMT 25 Apr 85

[Text] The Warsaw PZPR Committee has issued an appeal to members and candidate-members of the Warsaw party organization calling for the 1 May demonstration to be celebrated in an atmosphere of dignity and with a sense of strength. The basis for this is provided by the results of daily work for the country and for Warsaw, by the willingness shown in renewing the socialist homeland, and by the will to guide it to the paths of further development. The Warsaw committee has appealed for special respect to be paid on the workers' holiday to the veterans of struggle and labor whose historic deeds the party wants to develop creatively. Universal participation in the 1 May holiday and its atmosphere, reads the appeal, will be a demonstration of social support for the program of the Ninth PZPR Congress and for the policy of accord, struggle, and socialist reforms. It will also be an expression of solidarity with the working people of the whole world.

'CRUCIFIX WAR' PRIESTS THREATENED WITH JAIL TERMS

AU232002 Paris AFP in English 1949 GMT 23 Apr 85

[Text] Warsaw, April 23 (AFP) -- Two assistant priests in the small town of Wloszczowa, central Poland, could be jailed for three years each because they sided with pupils who occupied the local school last December to protest the removal of crucifixes from classrooms, the Bishopric of Kielce said in a statement received by Western correspondents here today. According to the statement, the "crucifix war" flared up again last March 29, when pupils replaced the crucifixes "in all classrooms."

Afterward, the public prosecutor warned Father Marek Labuda and Father Andrezej Wilczynski, who took part in the December sit-in, that they could face three years' imprisonment for "inciting disobedience" of the authorities.

In Warsaw, meanwhile, some 400 priests today made a pilgrimage to the grave of pro-Solidarity priest Father Jerzy Popieluszko, murdered by secret police last October. The pilgrimage was to mark Saint George's (Jerzy's) day.

COURT OVERRULES MINISTRY ON DISSIDENT'S REHIRING

AU251733 Paris AFP in English 1723 GMT 25 Apr 85

[Text] Warsaw, April 25 (AFP) -- A court here in an unprecedented move today overruled a Labor Ministry decision preventing Andrzej Slowik, a former jailed leader of the banned Solidarity union, from returning to the job he held before his arrest.

Poland's supreme industrial tribunal said Mr Slowik, 36, was entitled to reapply for the bus driver's position he held in the central Polish city of Lodz before he was sentenced to six years' prison for leading a demonstration there outlawed by Poland's December 13, 1981 state of siege. The judgment said the Labor Ministry's refusal, on political grounds, to allow the former Solidarity activist's rehiring was "not judicially valid."

Mr Slowik, who was released in July 1984 during a political prisoner amnesty, immediately applied for his former job but was turned down on the basis that there were no openings. Three days later local newspapers announced the public transportation administration was looking for 44 drivers.

The court's decision was a first concerning rehiring by government agencies of Solidarity members, dissident sources said. Most Solidarity leaders who have been jailed or interned in psychiatric wards can only find jobs in the private sector, the sources said.

ORZECHOWSKI REPORTS ON POLISH-SOVIET COOPERATION

LD251408 Warsaw Domestic Service in Polish 1200 GMT 25 Apr 85

[Text] Polish-Soviet cooperation and its significance for development of the PPR is the subject of a scientific session of the Polish Academy of Sciences and the Academy of Social Sciences at the PZPR Central Committee organized on the occasion of the 40th anniversary of the Treaty on Friendship, Mutual Assistance and Cooperation Between Poland and the Soviet Union. A report on cooperation between the PZPR and the CPSU was delivered by Marian Orzechowski, PZPR Politburo member. The head of the Soviet delegation, Vladimir Vinogradov, discussed the Polish-Soviet alliance in the fight against fascism.

CROP, LIVESTOCK PRODUCTION INCREASED IN 1984

LD251554 Warsaw PAP in English 1429 GMT 25 Apr 85

[Text] Warsaw, April 25 -- Despite numerous difficulties and shortage of means of production, Polish agriculture reported a somewhat milder economic regression and it was the first sector to return to production growth in recent years. It was already 1984 that brought the best results ever recorded in the history of Polish agriculture in plant production.

The total volume of crops last year went above the hitherto highest level, recorded in 1973. Grain crops, totalling 24.4 million tonnes grew by 1 million tonnes above the record 1974 figure, which to a large extent made it possible to fill the gap left by about 5 million tonne drop in grain and fodder imports and to save a considerable amount of hard-currency means.

Three consecutive years after 1980, marked by a decline in livestock population due to bad crops in 1980 and a slump in grain and fodder imports, were also followed by a rise in livestock production in 1984. With results still below the 1978-79 level, last year's livetock production based on domestic fodder was nevertheless by 152 thousand tonnes higher considering the decreased imports of grain and fodder.

Good crops in 1983 and record ones in 1984 create conditions for a further rise in livestock production this year.

(?Net income) generated from agricultural production last year went up by 9.8 percent from the 1978 figure, while the whole economy still generated by 14 percent less national income than in 1978. That is why agricultural contribution to the national income grew from 12.9 percent in 1980 to 16.4 percent in 1984.

Final production in agriculture per one employee in constant prices went up from 208 thousand zlotys in 1982 to 236 thousand slotys in 1984. Consolidation of this process requires improved profitability of agricultural production, as the considerable increase in the cost of means of production, services and consumer goods was the reason behind worsened economic conditions for agricultural (?production), which is reflected in declining real incomes of farmers.

Maintaining the tendency of growth in agricultural production also requires a further improvement in supplies of industrial means of production.

Given the current level of agricultural production, its further growth depends more on industry supplying farms with means of production than on farmers themselves.

CEAUSESCU LEAVES FOR WARSAW PACT MEETING

AU251359 Bucharest AGERPRES in English 1345 GMT 25 Apr 85

[Text] Bucharest AGERPRES 25/4/1985 -- Nicolae Ceausescu, general secretary of the Romanian Communist Party, president of the Socialist Republic of Romania, left for the Polish People's Republic on Thursday afternoon to attend a meeting of party and state leaders of the Warsaw Treaty countries.

Nicolae Ceausescu is accompanied by Constantin Dascalescu, member of the Executive Political Committee of the CC of the RCP, prime minister, Colonel-General Constantin Olteanu, member of the Executive Political Committee of the CC of the RCP, minister of National Defence, Ion Stoian, alternate member of the Executive Political Committee, secretary of the CC of the RCP, Stefan Andrei, alternate member of the Executive Political Committee of the CC of the RCP, minister of foreign affairs.

Nicolae Ceausescu was seen off at Otopeni Airport by full and alternate members of the Executive Political Committee of the CC ofthe RCP, secretaries of the party Central Committee, members of the CC of the RCP, of the State Council and the government, by representatives of central institutions, mass and public organizations, generals.

Present were also the ambassador of the Polish People's Republic and members of his embassy.

LCY CC DISCUSSES ANTI-INFLATION PROGRAM

LD260859 Belgrade TANJUG Domestic Service in Serbo-Croatian 0716 GMT 26 Apr 85

["LCY Central Committee Session in Progress" -- TANJUG headline]

[Text] Belgrade, 26 Apr (TANJUG) -- The 17th LCY Central Committee Plenum has started in Belgrade. The session will discuss implementation of the anti-inflation program. Members of the Central Committee are expected to adopt the document on "The Ideopolitical Issues of Implementation of the Anti-Inflation Program: Strategic Directives and Concrete Actions for Reducing Inflation." The introductory report is being submitted by Nikola Stojanovic, member of the LCY Central Committee Presidium.

EXPANDING COOPERATION DISCUSSED IN TALKS WITH EEC

AU251931 Belgrade TANJUG in English 1520 GMT 22 Apr 85

[Text] Brussels, April 22 (TANJUG) -- Ranking officials of the executive commission of the European Economic Community have assessed as positive the results Yugoslavia achieved last year in the economic area. In talks with member of the Yugoslav Government Ljubomir Baban, currently in Brussels, Vice-President of the European Commission Karl-Heinz Narjes and Commissioner for External Affairs Claude Cheysson said Yugoslavia can count on the E.C.'s further understanding and assistance in the implementation of its stabilization programs.

The talks focused on the expansion of economic cooperation between Yugoslavia and the E.C. In this context, Narjes set out that the E.C. supports the idea of holding a special conference on joint investments, to be held in the second half of the year. The conference would be a meeting of businessmen, bankers and scientists of Yugoslavia and the E.C., at which a concrete agreement should be reached on joint investments, under the new Yugoslav law on foreign investments in the Yugoslav economy. The new Yugoslav law opens possibilities for further promoting cooperation between Yugoslavia and the European Community, as assessed in Brussels.

9 MAY VICTORY DAY MILITARY PARADE PREVIEWED

AU252055 Belgrade Domestic Service in Serbo-Croatian 1300 GMT 25 Apr 85

[Excerpts] On 9 May, Victory Day, a big military parade in Belgrade and an equipment display will mark the 40th anniversary of the victory over fascism. At the Public Information Center today the parade staff informed Yugoslav journalists accredited to cover the parade about the preparations and the forthcoming parade. Mijusko Tomic reports:

The participants in the parade are proud to have the opportunity of a lifetime to make a personal contribution to the celebrations of Victory Day, Major General Tomislav Peruncic, assistant to the parade commander for political work, said.

[Begin Peruncic recording] The parade and equipment display, coupled with an air display, will show the high level of our overall development, including our strong technical, technological, and production abilities in the field of producing arms and other top military equipment, all of which is an essential prerequisite for our independence and autonomy in one of the most important fields of social life. [end recording]

The units in the parade will extend to a length of 9 kilometers. Major General Aleksandar Spirkovski, chief of the parade staff, said, and added:

[Begin Spirkovski recording] The parade, with a vary large number of the most modern pieces of military technology and of material technical means, will show the tremendous efforts that the working people, a large number of our master craftsmen, technicians, and engineers in institutes, establishments, and work organizations in the past 10 years have made to produce this equipment to outfit our Armed Forces. The parade this year will involve, in parade order, personnel of the Armed Forces as follows: Yugoslav People's Army units of all the three services and of the schools; territorial defense units from all the republics and provinces; and personnel of the civilian sector from all the republics and provinces. [end recording]

GORBACHEV PLENUM SPEECH, ECONOMIC REFORMS VIEWED

LD260930 Belgrade TANJUG in English 0310 GMT 26 Apr 85

[By Aleksandar Novacic]

[Text] Moscow, April 26 (TANJUG) -- Two days after the Soviet Communist Party Central Committee Plenum (April 23rd) at which the decision was taken to convene the party's 27th congress in February 1986, the Soviet dailies, for the first time in many decades, have not carried a uniform, directive editorial. Each daily carried its own commentary, but none omitted General Secretary Gorbachev's words on "the continuity of the strategic course" along with the remark that "the life goes on, and whatever hinders its progress should be removed."

Gorbachev assessed that the Soviet economic situation has been aggravated in many sectors for failure to implement the necessary measures. It is believed that this assessment refers to Brezhnev's last years since the Andropov and Chernenko periods were said to have brought some improvement to the economic situation.

Gorbachev's concept of changes in this domain proceeds from the heightening of discipline and personal responsibility, and greater autonomy of enterprises on an economic basis. The changes will encompass the ministries, the State Planning Committee and other central organs. In accordance with the basic concept, the power of these organs will diminish as the autonomy of enterprises increases.

Ten months prior to the 27th party congress, Gorbachev added three new members to the Central Committee Politbureau. Only one of them was a candidate member, while the other two leaped over the usual steps in the party hierarchy. The filling of vacancies is in line with the stand that cadre problems be solved before the congress. Similar changes will also be made at lower levels, and the plenum announced significant changes here too.

ZAGREB TRIAL CONTINUES; SUMMATIONS DUE 29 APRIL

LD251057 Belgrade TANJUG Domestic Service in Serbo-Croatian 2000 GMT 24 Apr 85

[Summary] Zagreb, 24 Apr (TANJUG) -- The trial of 11 persons charged with hostile activity against the SFRY continued in the District Court in Zagreb today. The court heard testimony presented by court experts specializing in explosives, explosive devices, and triggering mechanisms. According to the three court experts, the explosive used in the explosive devices which the defendants had in their possession was of a high destructive power. The trial will continue on Monday 29 April when the prosecution and defense will make their final speeches.